File No. 230100 **Committee Item No.** 3
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget and Finance Committee **Date** February 15, 2023
Board of Supervisors Meeting **Date** _____

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Completed by: Brent Jalipa **Date** February 9, 2023
Completed by: Brent Jalipa **Date** _____

[Tax Exempt and Taxable Lease Revenue Commercial Paper Certificates of Participation (Series 1 and Series 2) - To Fund Board Approved Capital Projects Not to Exceed $150,000,000]

Resolution re-authorizing the issuance of Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 1 and Series 2, and Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 1-T and Series 2-T, in an aggregate principal amount not to exceed $150,000,000 to finance the acquisition, construction, and rehabilitation of capital improvements and capital equipment approved by the Board of Supervisors and the Mayor; authorizing the delivery of an alternate credit facility in the principal amount of $163,500,000; and approving and authorizing the execution of a second supplement to trust agreement, a second amendment to site lease, a second amendment to sublease, a revolving credit agreement, a fee agreement, an offering memorandum, and certain other related financing documents, and authorizing other related actions, as defined herein.

WHEREAS, Pursuant to Section 9.113(e) of the Charter the Board of Supervisors has the power to borrow money through the issuance of commercial paper; and

WHEREAS, On March 17, 2009, April 6, 2010, and July 16, 2013, the Board of Supervisors adopted Resolution Nos. 85-09, 136-10, and 247-13, respectively (collectively, "Program Resolutions"), to establish a general fund backed commercial paper program ("Program") with an authorization of not to exceed $250,000,000 in aggregate principal amount of tax-exempt or taxable commercial paper certificates to provide interim financing of the acquisition, construction and rehabilitation of capital improvements within or owned by the City (herein "Capital Projects"); and

WHEREAS, As part of the Program, the City is authorized to cause the execution and delivery, under and pursuant to the provisions of the Trust Agreement, dated as of February 1, 2014 (as amended prior to the date hereof, "Trust Agreement"), between the City and U.S. Bank Trust Company, National Association ("Trustee"), as successor trustee to U.S. Bank National Association, its Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 1 and Series 2, and its Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 1-T and 2-T (each a "Series" and, collectively, "Commercial Paper Certificates"), in the aggregate principal amount not to exceed $150,000,000, which will be sufficient to, among other things, (i) pay costs of the Capital Projects, (ii) fund capitalized interest with respect to the Commercial Paper Certificates, (iii) to fund Capitalized Fees and Expenses (as defined in the Trust Agreement), and (iv) to pay costs incurred in connection with the sale and delivery of the Commercial Paper Certificates; and

WHEREAS, Pursuant to a Site Lease (as amended prior to the date hereof, the "Site Lease"), the City, as lessor, leases certain real property described therein including the improvements located thereon (collectively, the "Property") to the Trustee, as lessee, and, in return therefor, the Trustee applies a portion of the proceeds of the Commercial Paper Certificates to the acquisition, construction, and rehabilitation of the Capital Projects; and

WHEREAS, Pursuant to a Sublease (as amended prior to the date hereof, "Sublease"), the Trustee leases back the Property to the City, and the City, pursuant to the Sublease, pays to the Trustee base rental lease payments ("Base Rental Payments") for the use and occupancy of the Property, which Base Rental Payments will be used to

(i) reimburse the credit or liquidity providers for payments made by the credit or liquidity providers with respect to the Commercial Paper Certificates, pay the fees set forth in the Fee Agreement (as hereinafter defined), and to pay all other amounts due and owing to credit or

liquidity providers or (ii) if necessary, make payments on the Commercial Paper Certificates; and

WHEREAS, State Street Bank and Trust Company currently provides liquidity support to the Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 1 and Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 1-T through a line of credit pursuant to a Revolving Credit Agreement between the City and State Street Bank and Trust Company ("Existing State Street Liquidity Agreement"); and

WHEREAS, U.S. Bank National Association currently provides liquidity support to the Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2 and Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 2-T through a line of credit pursuant to a Revolving Credit Agreement between the City and U.S. Bank National Association ("Existing U.S. Bank Liquidity Facility Liquidity Agreement" and together with the Existing State Street Liquidity Agreement," the "Existing Liquidity Agreements"); and

WHEREAS, Wells Fargo Bank, National Association ("Bank") proposes to provide liquidity support to one or more Series of Commercial Paper Certificates through a line of credit ("Line of Credit") in the aggregate principal amount of $163,500,000 pursuant to a Revolving Credit Agreement to be entered into between the Bank and the City ("Liquidity Agreement"); and

WHEREAS, The Line of Credit constitutes an Alternate Credit Facility, a Credit Facility, and a Reimbursement Agreement under the Trust Agreement; and

WHEREAS, In connection with the delivery of the Liquidity Agreement, the City desires to enter into the documents described herein and will terminate the Existing Liquidity Agreements in accordance with their terms and the Trust Agreement; and

WHEREAS, This Board has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the City; now, therefore, be it,

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

Section 1. Re-Authorization of Commercial Paper Program; Approval of Second Supplement to Trust Agreement. This Board hereby re-authorizes the Program as it relates to the Commercial Paper Certificates in the maximum aggregate principal amount of $150,000,000 outstanding from time to time; provided, however, that the interest rate on the Commercial Paper Certificates shall not exceed the maximum rate permitted by law, and the Commercial Paper Certificates shall mature not later than 270 days from the date of issuance although additional Commercial Paper Certificates may be marketed to repay maturing Commercial Paper Certificates for periods also not to exceed 270 days. This Board hereby approves the execution and delivery by the City of the Second Supplement to Trust Agreement in the form on file with the Clerk of the Board, together with such additions thereto and changes therein as the Controller of the City or the Director of the Office of Public Finance or their respective designees (each, a "Designated Officer") shall deem necessary, desirable, or appropriate in accordance with Section 10 hereof and upon consultation with the City Attorney, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. Each Designated Officer, acting alone, is hereby authorized to execute and deliver the final form of the Second Supplement to Trust Agreement for and in the name and on behalf of the City. This Board hereby authorizes the performance by the City of its obligations under the Trust Agreement as amended by the Second Supplement to Trust Agreement.

Section 2. Approval of Second Amended and Restated Delivery and Paying Agent Agreement. This Board hereby approves the execution and delivery by the City of the Second Amended and Restated Delivery and Paying Agent Agreement in the form on file with the Clerk of the Board, together with such additions thereto and changes therein as a Designated

Officer shall deem necessary, desirable, or appropriate in accordance with Section 10 hereof and upon consultation with the City Attorney, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. Each Designated Officer, acting alone, is hereby authorized to execute and deliver the final form of the Second Amended and Restated Delivery and Paying Agent Agreement, for and in the name and on behalf of the City. This Board hereby authorizes the performance by the City of its obligations under the Second Amended and Restated Delivery and Paying Agent Agreement.

Section 3. Approval of Amendments to Site Lease and Sublease. This Board hereby approves the execution and delivery by the City of the Second Amendment to Site Lease and the Second Amendment to Sublease in the forms on file with the Clerk of the Board, together with such additions thereto and changes therein (including, without limitation, to provide for the release of any real property from the leasehold, or to provide for the addition of real property to the leasehold, under the Site Lease and the Sublease) as a Designated Officer shall deem necessary, desirable, or appropriate in accordance with Section 10 hereof and upon consultation with the City Attorney, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. Each Designated Officer, acting alone, is hereby authorized to execute and deliver the final form of the Second Amendment to Site Lease and the Second Amendment to Sublease for and in the name and on behalf of the City. This Board hereby authorizes the performance by the City of its obligations under the Site Lease, as amended by the Second Amendment to Site Lease, and the Sublease, as amended by the Second Amendment to Sublease.

Section 4. Approval of Liquidity Agreement and Related Documents. This Board hereby approves the execution and delivery by the City of the Liquidity Agreement, the Revolving Bank Certificate included as an exhibit to the Liquidity Agreement ("Revolving Bank Certificate") and the fee agreement by and between the Bank and the City ("Fee Agreement"),

in the forms on file with the Clerk of the Board, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable, or appropriate in accordance with Section 10 hereof and upon consultation with the City Attorney, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. Each Designated Officer, acting alone, is hereby authorized to execute and deliver the final forms of the Liquidity Agreement, the Revolving Bank Certificate, and the Fee Agreement for and in the name of and on behalf of the City. This Board hereby authorizes the performance by the City of its obligations under the Liquidity Agreement, the Revolving Bank Certificate, and the Fee Agreement.

Section 5. Offering Memorandum. This Board hereby approves the Offering Memorandum for the Commercial Paper Certificates, in the form on file with the Clerk of the Board, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable, or appropriate upon consultation with the City Attorney, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes to the Offering Memorandum. The Designated Officers are each further authorized to cause the distribution of the Offering Memorandum.

Section 6. First Amendment to Commercial Paper Dealer Agreement. This Board hereby approves the execution and delivery by the City of the First Amendment to Commercial Paper Dealer Agreement, in the form on file with the Clerk of the Board, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable, or appropriate in accordance with Section 10 hereof and upon consultation with the City Attorney, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. Each Designated Officer, acting alone, is hereby authorized to execute and deliver the final form of the First Amendment to Commercial Paper Dealer Agreement for and in the name of and on behalf of the City. This

Board hereby authorizes the performance by the City of its obligations under the Dealer Agreement (as defined in the Trust Agreement) as amended by the First Amendment to Commercial Paper Dealer Agreement.

Section 7. Extension of Line of Credit and Liquidity Agreement. This Board hereby delegates the authority to the Designated Officers, each acting alone, to execute and deliver one or more extensions to the Line of Credit or the commitment available under the Line of Credit and the Liquidity Agreement for any duration of time that they deem necessary, advisable or prudent, provided that no such extension shall (i) increase the principal amount of Commercial Paper Certificates authorized hereunder, or (ii) require an initial annual commitment fee, based upon the highest long-term, unenhanced rating assigned to the general obligation bonds of the City at the time of such extension, in excess of one percent per year of the commitment available under the Liquidity Agreement without further approval of this Board. In connection with obtaining such extension, the Designated Officers shall be authorized to execute such amendments or modifications and such contracts, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents as are necessary or advisable to obtain such extensions, provided that such amendments or modifications and such contracts, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants, and other documents reflect customary provisions, as determined by the Designated Officers, in the credit or liquidity facilities being executed at the time the extension is obtained. Alternatively, the Board hereby authorizes the execution and delivery of letter of credit and reimbursement agreements for the purpose of obtaining letters of credit to support the Commercial Paper Certificates, provided that (i) the initial fees charged for any letters of credit, based upon the highest rating assigned to the general obligation bonds of the City at the time of execution of a letter of credit and reimbursement agreement, do not exceed one percent per year of the face

amount thereof and (ii) the terms and conditions of the letter of credit and reimbursement agreements are substantially similar to the terms of the Liquidity Agreement, with such changes as deemed necessary by the Designated Officers.

Section 8. Source of Repayment. Notwithstanding anything herein to the contrary, if the ultimate source of repayment of the Commercial Paper Certificates delivered for Capital Projects are bonds, notes, other indebtedness, or certificates of participations ("Indebtedness") that are payable from or secured by funds or monies other than the General Fund of the City, then in such event, prior to drawing on the proceeds of Commercial Paper Certificates to fund such Capital Project, all approvals required for the issuance of said Indebtedness shall have been obtained, including any prior approval by this Board. This paragraph shall not apply to drawings under the program for emergencies declared by the Mayor under Section 3.100 (14) of the City Charter.

Section 9. General Authority. The Designated Officers and any and all other officers of the City are hereby authorized, for and in the name of and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all contracts, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants, amendments, and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Commercial Paper Certificates and the consummation of the transactions as described herein, including without limitation, such contracts, assignments, certificates, agreements, notices, consents, instruments of conveyance, warrants, amendments, and other documents as may be required by the Second Supplement to Trust Agreement, the Liquidity Agreement, the Revolving Bank Certificate and the Fee Agreement, the First Amendment to Commercial Paper Dealer Agreement or the Second Amended and Restated Delivery and Paying Agent Agreement. No such actions shall materially increase the liabilities of or risk to the City. Final

revisions of any such documents shall be provided to the Clerk of the Board for inclusion in the official file within 30 days of execution (or as soon thereafter as final documents are available) by all parties.

Section 10. Modifications, Changes, Additions. The proper officers of the City, including, but not limited to, the Designated Officers, are hereby authorized to approve and make such modifications, changes, or additions to the agreements and documents approved herein, upon consultation with the City Attorney, as may be necessary or desirable in the interests of the City, and which changes do not materially increase the liabilities or obligations of the City thereunder as determined by the Designated Officers, upon consultation with the City Attorney. Approval of such modifications, changes, or additions shall be conclusively evidenced by the execution and delivery by the Designated Officers of said documents. Final versions of any such documents shall be provided to the Clerk of the Board for inclusion in the official file within thirty (30) days of execution by all parties.

Section 11. Ratification. All actions authorized and directed by this Resolution, consistent with any documents presented herein, and heretofore taken are hereby ratified, approved, and confirmed by this Board. This Board hereby re-affirms its approval of the Program, all as set forth in Program Resolutions, and the terms of the Program Resolutions are incorporated therewith as if set forth in full herein; provided, however, that the maximum amount of outstanding Series 3, Series 3-T, Series 4, and Series 4-T Lease Revenue Commercial Paper Certificates of Participation shall not exceed $100,000,000, and the maximum amount of outstanding Commercial Paper Certificates shall not exceed $150,000,000.

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Section 12. File. All documents referenced herein as being on file with the Clerk of the Board are located in File No. 230100, which is hereby declared to be a part of this Resolution as if set forth fully herein.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ MARK D. BLAKE
MARK D. BLAKE
Deputy City Attorney

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Item 3 File 23-0100	Department: Controller's Office

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution: (1) re-authorizes the issuance by the City of both tax-exempt and taxable lease revenue commercial paper certificates of participation; (2) approves a $163,500,000 revolving credit agreement to replace two agreements expiring in May 2023; (3) authorizes financing documents, including the second supplement to the trust agreement, second amendment to the site lease, second amendment to the sublease, revolving credit agreement, fee agreement, dealer agreement, and a delivery and paying agent agreement; and (4) authorizes other related actions.

Key Points

- Commercial paper is short-term interim financing for capital projects that permits the City to pay capital project costs on an ongoing basis. Under the City's Commercial Paper Program, the City leases City property to a third-party trustee as security for the commercial paper, and leases back this City property from the third-party trustee. The City's payments on the lease-back agreement are equal to the debt service of the relevant commercial paper series.
- The City's $250 million Commercial Paper Program includes three series of commercial paper supported by lines of credit from three banks under revolving credit agreements with each bank. Two revolving credit agreements (with U.S. Bank and State Street Bank) supporting $150 million in commercial paper are scheduled to expire in May 2023 and would be replaced by the proposed $150 million revolving line of credit provided by Wells Fargo.
- Series 1 and 2 were previously secured by the Police Academy in addition to five other City properties. However, since the valuation of $187 million for the five properties is sufficient to secure the $150 million line of credit from Wells Fargo, the proposed second amendment to the site lease and second amendment to the sublease would remove the Police Academy from the Commercial Paper Program's leased assets.

Fiscal Impact

- The City would incur one-time estimated General Fund costs of $554,300 for fees related to the new line of credit for the City's bond counsel and municipal advisor, bank counsel, rating agency fees, and other related closing costs.
- In addition, the City would incur estimated ongoing General Fund costs of $921,198 per year to pay fees for the new line of credit.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT

According to City Charter Section 9.113 (e), the Board of Supervisors has the authority to borrow money by the issuance of tax anticipation notes, temporary notes, commercial paper, or other short-term debt instruments.

BACKGROUND

Commercial Paper

Commercial paper is short-term interim financing for capital projects that permits the City to pay capital project costs on an ongoing basis. Commercial paper notes are issued, as needed, to pay capital project costs as they are incurred, supported by a line of credit provided by a bank. Commercial paper has a fixed maturity date of up to 270 days (approximately nine months), compared with a fixed maturity date of 20 to 30 years for long-term debt, such as general obligation bonds. On the maturity date, commercial paper may be refinanced for additional periods of up to 270 days.

Commercial paper may be issued in anticipation of the issuance of previously authorized, but not yet issued long-term debt, or for short-term financing of equipment and/or vehicles. The use of commercial paper can reduce overall borrowing costs associated with the issuance of long-term debt because commercial paper interest rates are typically lower than long-term interest rates.

The City's Commercial Paper Program

The Board of Supervisors approved the creation of the City's Commercial Paper Program in 2009, which allowed the City to issue up to $150,000,000 in commercial paper (Commercial Paper Series 1 and 2) (File 09-0197). The Board of Supervisors approved an increase of $100,000,000 in the Commercial Paper Program (Commercial Paper Series 3) in 2013, allowing the City to issue up to $250,000,000 in commercial paper (File 13-0627). The Board of Supervisors reauthorized $150,000,000 in commercial paper in 2016 (File 16-0427) and reauthorized $100,000,000 in commercial paper in 2022 (File 22-0210). The City's Commercial Paper Program generally applies to the City's General Fund departments and the Port, which is an enterprise department. The City's other enterprise departments have authorization for separate commercial paper programs, including the Public Utilities Commission, Airport, and San Francisco Municipal Transportation Agency.

Under three separate revolving credit agreements, three banks provide lines of credit to support the City's $250,000,000 Commercial Paper Program.[1] A revolving credit agreement with Bank of the West supports $100,000,000 of the City's Commercial Paper Program and will expire in April 2026. Two banks –U.S. Bank and State Street Bank and Trust Company (State Street Bank) –

[1] The bank provides a line of credit that guarantees that the bank will repay the outstanding commercial paper in the event that the City in unable to make required payments to the commercial paper investors.

provide lines of credit to support the remaining $150,000,000 of the City's Commercial Paper Program. The two revolving credit agreements were extended by two years in May 2021 and are scheduled to expire in May 2023. To replace the two expiring revolving credit agreements, the Controller's Office of Public Finance issued a Request for Proposals (RFP) in October 2022. The Office of Public Finance selected Wells Fargo Bank (Wells Fargo), the top scoring proposal, out of six proposals received based on scoring assessed by an evaluation panel[2] to provide a line of credit.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution: (1) re-authorizes the issuance by the City of both tax-exempt and taxable lease revenue commercial paper certificates of participation;[3] (2) approves a $163,500,000[4] revolving credit agreement to replace two agreements expiring in May 2023; (3) authorizes financing documents, including the second supplement to the trust agreement, second amendment to the site lease, second amendment to the sublease, revolving credit agreement, fee agreement, dealer agreement, and a delivery and paying agent agreement; and (4) authorizes other related actions.

Lines of Credit

As mentioned above, two revolving lines of credit with U.S. Bank and State Street Bank supporting $150,000,000 in commercial paper will expire in May 2023 and would be replaced by the proposed $150,000,000 revolving line of credit provided by Wells Fargo.

Under the proposed resolution, two revolving credit agreements would support the City's Commercial Paper Program. These agreements would include:

- $100,000,000 in an existing line of credit provided by Bank of the West, which will expire in May 2026 (a term of four years).
- $150,000,000 in a new line of credit provided by Wells Fargo from approximately March 2023 to March 2026 (a term of three years).[5]

Financing Documents

Revolving Credit Agreement

Under the proposed revolving credit agreement between the City and Wells Fargo, the City can draw on up to $150,000,000 under the new line of credit. The City would draw on the line of

[2] The panel consisted of an Office of Public Finance Principal Administrative Analyst II, a San Francisco Public Utilities Commission Senior Administrative Analyst, and a municipal advisor firm Managing Director.

[3] The tax-exempt commercial paper is used for eligible tax-exempt capital projects and taxable lease revenue commercial paper certificates of participation are used for projects that do not qualify for federal and state tax exemptions.

[4] The $163,500,000 total includes $150,000,000 in available principal amount and $13,500,000 in available interest commitment.

[5] According to Office of Public Finance staff, the existing revolving credit agreements with U.S. Bank and State Street Bank would terminate upon the issuance of the Wells Fargo credit facility.

credit only if the City could not make the required payments to the commercial paper investors. According to an Office of Public Finance memo to the Board of Supervisors, the City expects to repay the banks, in the event that the City draws on the line of credit, through refinancing commercial paper or issuing long-term debt. However, under extraordinary circumstances such as the 2008 financial crisis, the City may not be able to repay the banks immediately, in which case the City could potentially pay interest on the commercial paper at a rate of up to 12 percent per year.

Fee Agreement

The City will pay a fee to Wells Fargo for the revolving line of credit equal to approximately 0.25 percent[6] of the line of credit of $163,500,000,[7] or $408,750 per year. The City's existing $75,000,000 line of credit provided by State Street Bank has an annual fee of 0.40 percent, or $327,000 per year. The City's existing $75,000,000 line of credit provided by U.S. Bank has an annual fee of 0.38 percent, or $310,650 per year. The new revolving credit agreement results in annual savings of $228,900 to the Commercial Paper Program.

Dealer Agreement

Commercial Paper dealers sell commercial paper on behalf of the City to investors. Under the First Amendment to Commercial Paper Dealer Agreement between the City and J.P. Morgan Securities Inc., the commercial paper dealer, the fees paid by the City to the dealer would be 0.075 percent per year of the principal amount of commercial paper notes outstanding each quarter. For the new line of credit provided by Wells Fargo, the City would pay the dealer a maximum fee of $112,500 for the year, based on $150,000,000 in outstanding commercial paper debt.

Delivery and Paying Agent Agreement

Similar to a bond trustee, the Commercial Paper delivery and paying agent acts as depository and delivery agent for the Commercial Paper Certificates and paying agent on behalf of Commercial Paper investors. Responsibilities of U.S. Bank Trust Company, the delivery and paying agent for Commercial Paper secured by the proposed Wells Fargo line of credit, are outlined in the Second Amended and Restated Delivery and Paying Agent Agreement.

Lease and Sublease Agreements and Trust Agreement

Under the City's Commercial Paper Program, the City leases City property to a third-party trustee as security for the commercial paper and leases back this City property from the third-party

[6] The fee is based on the City's highest general fund credit rating by each of the three credit rating agencies – Fitch, Moody's, and S&P. The fee percentage of 0.25 percent reflects that the City's highest general fund ratings are AA+ or above (Fitch and S&P) and Aa1 or above (Moody's), currently rated AA+ (Fitch), AAA (S&P) and Aaa (Moody's). In the case where the City's ratings were downgraded, the fee would increase according to the commitment fee schedule in the agreement. For example, if the City's ratings were downgraded by one notch there would be a fee increase of 0.025 percentage points.

[7] The $163,500,000 total includes $150,000,000 in available principal amount and $13,500,000 in available interest commitment.

trustee. The City's payments on the lease-back agreement are equal to the debt service of the relevant commercial paper series. The City has committed the properties shown in Exhibit 1 below to secure the line of credit from Bank of the West and the proposed line of credit from Wells Fargo for the commercial paper. These properties have a value equal to 195 percent of the not-to-exceed Commercial Paper Program amount of $250,000,000, or $488,000,000, as shown in Exhibit 1 below.

Exhibit 1: City Properties Proposed to Secure Commercial Paper Program

Property	Valuation as of January 2023
$150 Million Provided by Wells Fargo (Proposed)	
Series 1 and Series 2 Commercial Paper	
Public Works Corporate Yard	$72,000,000
Fire College	46,000,000
Fire Station 1	7,200,000
Public Health Clinic	18,800,000
Human Services Agency Central Office	43,000,000
Subtotal	$187,000,000
$100 Million Provided by Bank of the West	
Series 3 Commercial Paper	**Valuation as of April 2022**
Public Safety Building	$301,000,000
Subtotal	$301,000,000
Total	**$488,000,000**

Source: Office of Public Finance, Real Estate Division

Under the proposed second supplement to the trust agreement, U.S. Bank serves as the third-party trustee, responsible for: (1) authenticating and delivering the commercial paper; (2) leasing properties from the City; and (3) subleasing these properties back to the City. The City's sublease payments are equal to the principal and interest due on outstanding commercial paper debt. Under the proposed second amendment to the site lease, U.S. Bank would enter into a site lease with the City for the following five properties to secure Commercial Paper Series 1 and 2: (1) Public Works Corporate Yard; (2) Fire College; (3) Fire Station 1; (4) Public Health Clinic; and (5) the Human Services Agency Central Office. Under the proposed second amendment to the sublease, the City would lease back the same properties from U.S. Bank.

Series 1 and 2 were previously secured by the Police Academy in addition to the five properties listed above. However, since the valuation of $187,000,000 for the five properties is sufficient to secure the $150,000,000 in line of credit from Wells Fargo, the proposed second amendment to the site lease and second amendment to the sublease would remove the Police Academy from the Commercial Paper Program's leased assets.

City Capital Projects Accessing the City's Commercial Paper Program

Under Administrative Code Section 10.62(b), City capital projects that have been approved by the Board of Supervisors will be eligible to access the Commercial Paper Program to provide interim financing. Capital projects that currently have approval to obtain short-term interim financing through the Commercial Paper Program are shown in Exhibit 2 below.

Exhibit 2: Capital Projects with Board Approval to Access Commercial Paper Program

Year Approved	Project	Project Description	Total COP/CP Amount Approved
2013	TIDA Utility Infrastructure System	Utility infrastructure improvements on Treasure Island and Yerba Buena Island	$13,500,000
2016	Housing Trust Fund	Development, acquisition, rehabilitation of affordable housing	95,000,000
2019	HOPE SF	Rebuilding of public housing under the jurisdiction of the San Francisco Housing Authority	83,600,000
2019	Hall of Justice Relocation - Tenant Improvements [a]	Improvement of Hall of Justice facilities and acquisition of adjacent property	58,195,000
2020	DPH Facilities COPs	DPH capital improvement projects, including construction of office facilities to relocate DPH staff from 101 Grove Street and General Hospital Chiller and Cooling Tower Replacement, and acquisition of Homeless Services Center	157,000,000
2021	Police Vehicle Acquisition [b]	Acquisition of 60 vehicles for the Police Department	2,425,000
2021	Critical Repairs & Recovery Stimulus COPs	Multiple projects approved by the Board of Supervisors in the 10-Year Capital Plan including improvements to City facilities and public right-of-way and projects that would stimulate the local economy	67,500,000
2022	Critical Repairs & Recovery Stimulus & Street Repaving COPs	Multiple projects approved by the Board of Supervisors in the 10-Year Capital Plan including improvements to City facilities and public right-of-way and projects designed to help build a more resilient and equitable San Francisco as part of the City's recovery from the COVID-19 pandemic	140,000,000
		Total	**$612,220,000**

Source: Office of Public Finance

[a] The Board of Supervisors authorized the issuance of $62 million in certificates of participation for Hall of Justice Relocation Tenant Improvements in 2019, of which $3,805,000 has been issued to date. The remaining balance ($58,195,000) reflects the amount eligible to access the Commercial Paper Program.

[b] The Board of Supervisors did not authorize the issuance of certificates of participation for the Police vehicle acquisition, only commercial paper. The City intends to pay down the commercial paper from the General Fund over a five-year period once it is issued.

The Controller may draw on commercial paper prior to Board of Supervisors' approval of long-term financing in the event of an emergency declared under Charter Section 3.100. However, this has not occurred to date according to Office of Public Finance staff.

FISCAL IMPACT

The proposed resolution replaces two $75,000,000 revolving lines of credit held by U.S. Bank and State Street Bank with one $150,000,000 revolving line of credit to be held by Wells Fargo. The City would incur one-time estimated General Fund costs of $554,300 for fees related to the new line of credit for the City's bond counsel and municipal advisor, bank counsel, rating agency fees and other related closing costs.

The City would incur estimated ongoing General Fund costs of $921,198 per year to pay fees for the new line of credit, as shown in Exhibit 3 below.

Exhibit 3: Estimated Ongoing Costs for $150 Million New Line of Credit

Cost	Amount
Line of Credit Fee (0.25%)	$408,750
Dealer Fee (0.075%)	112,500
Other Fixed Expenses	
Credit Surveillance Fees [a]	55,500
Issuing and Paying Agent Fee [b]	11,450
Risk Management Property Insurance Premiums [c]	332,998
Subtotal Other Fixed Expenses	399,948
Total	**$921,198**

Source: Office of Public Finance

[a] The credit surveillance fee is for credit agencies to monitor the City's financial condition.

[b] The issuing and paying agent fee is for the coordination and issuance of the commercial paper by U.S. Bank, which is the paying agent.

[c] The risk management property insurance premiums refers to property insurance for the leased assets.

The Commercial Paper Program currently has $34,430,000 in outstanding commercial paper, as shown in Exhibit 4 below. To reduce interest costs to projects, commercial paper is not issued until the City has already paid invoices or billed hours to a project. Most capital projects initially use the commercial paper authority through appropriation release requests[8] sent to the Controller's Office so that project staff can enter into contracts and begin work. Once spending has occurred, project staff submit reimbursement requests to the Office of Public Finance, which results in commercial paper issuance.

[8] Appropriations for debt issuances are typically placed on Controller's Reserve until funding is available.

Exhibit 4: Current Outstanding Commercial Paper

Issuance Date	Maturity Date	Project	Tax Status	Outstanding Principal Amount	Interest Rate
Series 1 & 2 Commercial Paper					
12/20/22	3/2/23	DPH Facilities	Tax Exempt	$8,797,955	2.70%
12/20/22	3/2/23	Critical Repairs/Recovery Stimulus	Tax Exempt	1,669,424	2.70%
12/20/22	3/2/23	Police Vehicle Acquisition	Tax Exempt	2,441,489	2.70%
12/20/22	3/2/23	HOJ Tenant Improvements	Tax Exempt	41,132	2.70%
		Subtotal Series 1 & 2		*$12,950,000*	
Series 3 Commercial Paper					
1/18/23	3/2/23	Housing Trust Fund	Taxable	18,250,620	4.62%
1/18/23	3/2/23	HOPE SF	Taxable	3,229,380	4.62%
		Subtotal Series 3		*$21,480,000*	
			Total	**$34,430,000**	

Source: Office of Public Finance

Commercial paper is paid through the issuance of long-term debt, such as certificates of participation. As mentioned above, the use of commercial paper can reduce overall borrowing costs associated with the issuance of long-term debt because commercial paper interest rates are typically lower than long-term interest rates. For example, the interest rate on outstanding tax-exempt commercial paper is 2.7 percent (as shown above), which is less than the estimated true interest costs of 6.56 percent for long-term general obligation bond issuance approved by the Board of Supervisors in January 2023.

RECOMMENDATION

Approve the proposed resolution.

FIRST AMENDMENT TO COMMERCIAL PAPER DEALER AGREEMENT

Between the

CITY AND COUNTY OF SAN FRANCISCO

and

J.P. MORGAN SECURITIES INC.,
CP Dealer

Dated as of [Month] 1, 2023

Relating to

City and County of San Francisco

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

and

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

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

and

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

FIRST AMENDMENT TO
COMMERCIAL PAPER DEALER AGREEMENT

This First Amendment to Commercial Paper Dealer Agreement, dated as of [Month] 1, 2023 (this "First Amendment"), between the City and County of San Francisco (the "City") and J.P. Morgan Securities Inc. (the "CP Dealer").

BACKGROUND:

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

WHEREAS, the City and the CP Dealer previously entered into that certain Commercial Paper Dealer Agreement, dated as of June 1, 2016 (the "Original Agreement"), pursuant to which, among other things, the CP Dealer agreed to accept the duties and responsibilities as the dealer of the Certificates; and

WHEREAS, only the Series 2 Certificates and Series 2-T Certificates are anticipated to be executed and delivered on and after the date hereof; and

WHEREAS, the City and the CP Dealer desire to amend the Original Agreement to reflect, among other things, (i) the delivery by Wells Fargo Bank, National Association (the "Bank") of a liquidity facility to support the Series 2 Certificates and Series 2-T Certificates pursuant to the Revolving Credit Agreement, dated as of [Month] 1, 2023, by and between the City and the Bank, effective on _____, 2023 (the "Effective Date"), which liquidity facility will constitute an Alternate Credit Facility under the Trust Agreement, and (ii) to add a date certain on which the Original Agreement, as amended hereby, will terminate if not terminated earlier by the City or the CP Dealer in accordance with the terms thereof;

A G R E E M E N T:

In consideration of the foregoing, the City and the CP Dealer agree as follows:

SECTION 1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the terms defined in the recitals above have the respective meanings given those terms when used in this First Amendment. Capitalized terms which are defined in the Original Agreement and which are not otherwise defined herein shall have the respective meanings given those terms in the Original Agreement.

SECTION 2. Notice of Delivery of Alternate Credit Facility. The CP Dealer hereby acknowledges the delivery by the Bank of a line of credit pursuant to the Revolving Credit Agreement as an Alternate Credit Facility under the Original Trust Agreement and the replacement of the liquidity facilities previously delivered by State Street Bank and Trust

Company and U.S. Bank National Association to support to the Commercial Paper Certificates, and the Trustee hereby waives the requirement set forth in Section 6.02 of the Original Trust Agreement that the City provide written notice of such delivery and replacement to the Trustee not less than 30 days prior to the Effective Date.

SECTION 3. Amendments.

(a) Section 1(b) of the Original Agreement is hereby amended to read as follows:

(b) The City has authorized the delivery of the Certificates pursuant to a Trust Agreement, dated as of June 1, 2010 (as amended, supplemented or modified from time to time, the "Trust Agreement"), between the City and U.S. Bank Trust Company, National Association, as successor trustee to U.S. Bank National Association, and a Second Amended and Restated Delivery and Paying Agent Agreement dated as of [Month] 1, 2023 (as amended, supplemented or modified from time to time, the "Delivery and Paying Agent Agreement") between the City and U.S. Bank Trust Company, National Association, as delivery and paying agent (collectively, the "Authorizing Document").

(b) Section 1(c) of the Original Agreement is hereby amended to read as follows:

(c) Wells Fargo Bank, National Association (the "Bank") will provide liquidity support (the "Facility") for the payment of the principal of and/or interest with respect to maturing Series 2 Certificates and Series 2-T Certificates as and if necessary to U.S. Bank Trust Company, National Association, as delivery and paying agent (the "Account Party") in accordance with the terms of the Authorizing Document and the Revolving Credit Agreement, dated as of [Month] 1, 2023 (as amended, restated, supplemented or otherwise modified, as amended, restated, supplemented or otherwise modified, the "Liquidity Facility"), between the City and the Bank. For so long as only one Credit Facility is in effect and such Credit Facility is in a stated amount (not taking into account any unreimbursed drawings thereunder) that allows for the execution and delivery of the Maximum Principal Amount of Certificates, (i) the City will cause the execution and delivery of only the Series 2 Certificates and the Series 2-T Certificates and will not cause the execution and delivery of the Series 1 Certificates and the Series 1-T Certificates, and (ii) all references in this Agreement to "Certificates" shall be deemed to refer to the Series 2 Certificates and the Series 2-T Certificates.

(c) Section 4 of the Original Agreement is hereby amended to read as follows:

Section 4. Transactions in Certificates. All transactions in Certificates between the CP Dealer and the City will be in accordance with the Authorizing Document, this Agreement, the Liquidity Facility and with the customs and practices in the commercial paper market regarding settlement and delivery formally adopted in writing from time to time by the New York Clearinghouse, to the extent not inconsistent with the Authorizing Document. All Certificates will be evidenced either by (i) a global certificate immobilized with The Depository Trust Company of New York or (ii) if not, will be executed in the manner provided for in the Authorizing Document. As early as possible, but not later than 9:30 a.m. (New York City time) on the day on which any Certificates are to be issued, the CP Dealer will notify the City of the proposed final maturities, prices and interest rates (which interest rates may not exceed 12% per annum unless the City otherwise notifies the CP Dealer in writing that the Authorizing

Document and the related Liquidity Facility has been amended to provide for a higher maximum interest rate for the Certificates) at which the CP Dealer will purchase or cause the purchase of the Certificates, and provide the City with any other information as required for delivery of such Certificates. Except as described below, the CP Dealer will not be obligated to purchase or cause the purchase of any Certificates unless and until agreement has been reached in each case on the foregoing points and the CP Dealer has agreed to such purchase. Not later than 11:30 a.m. (New York City time) on the date of each transaction the CP Dealer will either (a) confirm each transaction made with or arranged by it or (b) notify the City, the Delivery and Paying Agent and the Bank of the difference, if any, between the amount of maturing Certificates and the amount of Certificates which the CP Dealer has arranged to sell or has agreed to purchase. The CP Dealer will give such confirmation or notification by telephone (or by other telecommunications medium acceptable to the City) and in writing to the City and the Delivery and Paying Agent.

(d) Section 13 of the Original Agreement is hereby amended to read as follows:

Section 13. Term of Agreement. This Agreement will become effective on the date hereof and will continue in full force and effect until May 31, 2026, subject to the right of suspension and termination as provided herein.

(e) Section 17 of the Original Agreement is hereby amended by replacing the addresses for notices to the Delivery and Paying Agent and the Bank with the following:

The Delivery and Paying Agent:	U.S. Bank Trust Company, National Association Corporate Trust Services 100 Wall Street, Suite 600 New York, New York 10005 Facsimile: (212) 514-6841
The Bank:	Wells Fargo Bank, National Association 420 Montgomery Street, 9th Floor San Francisco, California 94104 Attention: Dale Barton, Director, Government Banking Telephone: (628) 260-3382 Email: dale.r.barton@wellsfargo.com With a copy to: Wells Fargo Bank, National Association 420 Montgomery Street, 9th Floor San Francisco, California 94104 Attention: Kavita Singh, Relationship Associate Telephone: (415) 222-3394 Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

SECTION 4. Original Agreement. Except as amended hereby, the Original Agreement will remain in full force and effect. Reference to this First Amendment need not be made in any note, document, agreement, letter, certificate, the Original Agreement or any communication issued or made subsequent to or with respect to the Original Agreement, it being hereby agreed that any reference to the Original Agreement shall be sufficient to refer to the Original Agreement, as hereby amended.

SECTION 5. Effective Date of First Amendment. This First Amendment shall take effect upon its execution and delivery.

SECTION 6. Severability of Invalid Provisions. If any one or more of the provisions contained in this First Amendment are for any reason held to be invalid, illegal or unenforceable in any respect, then such provision or provisions will be deemed severable from the remaining provisions contained in this First Amendment and such invalidity, illegality or unenforceability will not affect any other provision of this First Amendment, and this First Amendment will be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City and the CP Dealer each hereby declares that it would have entered into this First Amendment and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this First Amendment may be held illegal, invalid or unenforceable.

SECTION 7. Execution in Counterparts. This First Amendment may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument. This First Amendment may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a pdf copy to an email, and any printed or copied version of any signature page so delivered will have the same force and effect as an originally signed version of such signature page.

[Signature Page Follows on the Next Page]

IN WITNESS WHEREOF, the parties have executed this First Amendment to Commercial Paper Dealer Agreement effective the date first above written.

CITY AND COUNTY OF SAN FRANCISCO

By:_____
Anna Van Degna
Director of the Office of Public Finance

APPROVED AS TO FORM:

CITY ATTORNEY

By:_____
Mark D. Blake
Deputy City Attorney

J.P. MORGAN SECURITIES INC.

By:_____
Authorized Officer

SECOND AMENDED AND RESTATED
DELIVERY AND PAYING AGENT AGREEMENT

Dated as of [Month] 1, 2023

U.S. Bank Trust Company, National Association
100 Wall Street, Suite 600
New York, New York 10005

Re: City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates, Series 1 and Series 2 (the "Tax-Exempt Commercial Paper Certificates")

and

City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates, Series 1-T and Series 2-T (the "Taxable Commercial Paper Certificates")

Ladies and Gentlemen:

This letter will set forth the understandings made between you and the undersigned, the City and County of San Francisco, a charter city and county duly organized and existing under the laws of the State of California (the "City"), whereby you have agreed to act (i) as depository for the safekeeping of certain certificates of participation of the City which may be issued and sold in the tax-exempt and taxable commercial paper markets (collectively, the "Commercial Paper Certificates"), (ii) as delivery agent on behalf of the City in connection with the delivery of the Commercial Paper Certificates, and (iii) as paying agent to undertake certain obligations as described below on behalf of the holders of the Commercial Paper Certificates. Capitalized terms not otherwise defined herein will have the meanings set forth in that certain Trust Agreement, dated as of June 1, 2010 (as amended by a First Supplement to Trust Agreement dated as of [Month] 1, 2023, and as further amended, supplemented or modified from time to time, the "Trust Agreement"), between the City and U.S. Bank Trust Company, National Association, as Trustee, as successor to U.S. Bank National Association.

1. Appointment of Agent. The City hereby requests that you act, on the terms and conditions specified herein and in the Trust Agreement, as delivery and paying agent for its Commercial Paper Certificates to be delivered from time to time. Pursuant to the terms of the Trust Agreement, the City may deliver and sell Commercial Paper Certificates, which will be short-term certificates of participation issued in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Act"), afforded by Section 3(a)(2) thereof. The Commercial Paper Certificates will be placed initially through J.P. Morgan Securities (the "Dealer"). The Commercial Paper Certificates may be delivered as physical certificates (the "Physical Commercial Paper Certificates") substantially in the form of Exhibit A-1, in the case of the Tax-Exempt Commercial Paper Certificates, and Exhibit A-2, in the case of the Taxable Commercial Paper Certificates, to the Trust Agreement, or as obligations ("Book-Entry Commercial Paper Certificates") evidenced by a Master Certificate substantially in the form of Exhibit B-1, in the case of the Tax-Exempt Commercial Paper Certificates, and Exhibit B-2, in the case of the Taxable Commercial Paper Certificates, to the Trust Agreement. The

Master Certificates and the City's obligations thereunder will be issued in accordance with applicable rules and regulations of DTC.

2. Master Certificate: Supply of Commercial Paper Certificates.

(a) The Book-Entry Commercial Paper Certificates will be evidenced by (i) a Master Certificate representing 100% of the principal amount of the Tax-Exempt Commercial Paper Certificates as may be Outstanding from time to time and (ii) a Master Certificate representing 100% of the principal amount of the Taxable Commercial Paper Notes as may be Outstanding from time to time. Each Master Certificate will bear the manual or facsimile signature of an Authorized Representative (as hereinafter defined), be countersigned for authentication by you, be registered in the name of the Nominee and be unavailable for transfer to the beneficial owners thereof.

You will maintain the Master Certificates in safekeeping, in accordance with your customary practices, on behalf of the Nominee, as the registered owner thereof. As long as the Nominee is the registered owner of the Master Certificates, the beneficial ownership interests therein will be shown on, and the transfer of ownership thereof will be effected through, entries on the books maintained by DTC and the books of its Participants. The Master Certificates and the Book-Entry Commercial Paper Certificates represented thereby will be subject to DTC's rules and procedures in effect at the time of the delivery of Book-Entry Commercial Paper Certificates, as the same will be amended from time to time. You will cooperate with the City in assuring compliance with such rules and procedures. In connection with the DTC Same Day Funds ("SDFS") Money Market Instrument ("MMI") program, the City understands that as one of the conditions of its participation therein, it will be necessary for the City and you to execute a Letter of Representations and for DTC to receive and accept such Letter of Representations. So long as the Master Certificates are issued and any Book-Entry Commercial Paper Certificates are Outstanding, no Physical Commercial Paper Certificates may be issued.

(b) In the event that the Master Certificates and the Book-Entry Commercial Paper Certificates are no longer Outstanding, the City will from time to time furnish you with an adequate supply of Physical Commercial Paper Certificates, which will be serially numbered and will have been executed by manual or facsimile signature by an Authorized Representative (as hereinafter defined), with the Certificate number, principal amount, payee, date of issue, maturity date, interest rate and maturity value left undetermined. Pending receipt of instructions pursuant to this Agreement, you will hold the Physical Commercial Paper Certificates in safekeeping for the account of the City in accordance with your customary practice.

3. Authorized Representatives. From time to time the City will furnish you with a written instrument certifying the incumbency and specimen signatures of officers or agents of the City authorized to (a) execute the Master Certificates, representing the Book-Entry Commercial Paper Certificates, (b) execute Physical Commercial Paper Certificates, and (c) to give instruction under paragraph 4 hereof or to take other action hereunder on behalf of the City (each an "Authorized Representative"). Until you receive a subsequent incumbency certificate of the City, you are entitled to rely on the last such certificate delivered to you for purposes of determining the Authorized Representatives. You will not have any responsibility to the City to determine by whom or by what means a facsimile signature may have been affixed on the Commercial Paper Certificates.

Any Commercial Paper Certificates bearing the manual or facsimile signature of a person who is an Authorized Representative on the date such signature is affixed will be valid

and binding after the completion and authentication thereof by you notwithstanding that such person has died or has otherwise ceased to hold his or her office on the date such Commercial Paper Certificates is countersigned or delivered to you.

4. Completion Authentication and Delivery of Commercial Paper Certificates.

(a) Instructions for the delivery of Commercial Paper Certificates will be given via e-mail, facsimile transmission or by telephone. Instructions given by telephone, facsimile transmission or in writing will be given by an Authorized Representative, or by an officer or employee of a Dealer (an "Authorized Dealer Representative"), or any other person who, in each case, has been designated by an Authorized Representative in writing to you as a person authorized to give such instructions hereunder.

(1) The City will instruct you to issue Tax-Exempt Commercial Paper Certificates or Taxable Commercial Paper Certificates as Book-Entry Commercial Paper Certificates by entering the appropriate DTC instrument codes and, after issuing such instructions, it is understood that the records maintained by you will represent the aggregate principal amount of Book-Entry Commercial Paper Certificates then outstanding and the aggregate unpaid interest thereon unless subsequently modified by the City with appropriate notice to you. At or before the close of business New York time, on the settlement date of each Book-Entry Commercial Paper Certificate, you will: (a) determine the net proceeds due the City on such day and (b) credit the Funds and Accounts established under the Trust Agreement, in immediately available funds, such net proceeds in accordance with the instructions provided to you by the City or the Dealer and the provisions of this Agreement (including paragraph 5), if and only if you have received confirmation from DTC that each Book-Entry Commercial Paper Certificate has settled in accordance with DTC's appropriate rules, regulations and procedures. The City hereby agrees with you that it will repay such Book-Entry Commercial Paper Certificates in accordance with the instructions provided to you by the City or the Dealer, and that the aggregate amount owing at any time by the City in connection with all Outstanding Book-Entry Commercial Paper Certificates will be the amount of (x) the aggregate principal amount of such Book-Entry Commercial Paper Certificates plus the aggregate interest to be paid thereon at the scheduled maturity thereof (it being understood that if any such interest-bearing Book-Entry Commercial Paper Certificate is prepaid by the City prior to its scheduled maturity, then such interest amount will be adjusted based upon a 365-day or 366-day year, whichever is applicable, to reflect such prepayment) less (y) the aggregate of the face amount of such Book-Entry Commercial Paper Certificates plus the aggregate interest paid by the City on all Book-Entry Commercial Paper Certificates which have either matured or been presented for prepayment.

(2) Upon receipt of instructions to issue Physical Commercial Paper Certificates as described in this paragraph 2, you will also withdraw the necessary Physical Commercial Paper Certificate(s) from safekeeping and, in accordance with such instructions, will:

(A) complete each Physical Commercial Paper Certificate as to its certificate number, principal amount (which will not be less than $100,000), interest rate, payee, date of issue, maturity date (which will be a Business Day and will not be more than 270 days from the date of issue nor later than five days prior to the expiration or termination of the applicable Credit Facility unless the

City has arranged for an Alternate Credit Facility), maturity value and place of payment; and

(B) manually countersign each Physical Commercial Paper Certificate, which signature may be by anyone of your officers or employees duly authorized and designated for this purpose; and

(C) deliver the Physical Commercial Paper Certificate(s) to the Dealer or its designated consignees, which delivery will be against receipt for payment as herein provided or as otherwise provided in such instructions in accordance with Paragraph 5.

(b) Instructions delivered by telephone, facsimile transmission or in writing must be received by you by 1:00 p.m. New York time, if the Commercial Paper Certificate(s) are to be delivered the same day. Telephonic and e-mail instructions will be confirmed in writing or by facsimile the same day by 4:00 p.m. New York time.

(c) The City understands that although you have been instructed to deliver Physical Commercial Paper Certificates against payment, delivery of Physical Commercial Paper Certificates will, in accordance with the custom prevailing in the commercial paper market, be made before receipt of payment in immediately available funds. Therefore, once you have delivered a Physical Commercial Paper Certificate to a Dealer or its designated consignee as provided in Paragraph 4(a)(2)(C), the City will bear the risk that such Dealer or designated consignee fails to remit payment for the Physical Commercial Paper Certificates to you. It is understood that each delivery of Physical Commercial Paper Certificates hereunder will be subject to the rules of the New York Clearing House in effect at the time of such delivery.

(d) Notwithstanding anything to the contrary contained herein, and notwithstanding any contrary instructions from the City, you will not issue or deliver any Commercial Paper Certificates pursuant to such instructions if, immediately after delivery of such Commercial Paper Certificates, the aggregate principal amount of all Commercial Paper Certificates and the Revolving Bank Certificates (as defined in the Trust Agreement) Outstanding would exceed the Maximum Principal Amount. Additionally, no Commercial Paper Certificate will be issued that (i) matures on a day that is not a Business Day; or (ii) has a term in excess of 270 days; or (iii) has a maturity date less than five days prior to the expiration of the applicable Credit Facility unless the City has arranged for an Alternate Credit Facility pursuant to Section 6.02 of the Trust Agreement; or (iv) bears interest at a rate in excess of the Maximum Interest Rate; provided, however, that the amount of the Commercial Paper Certificates to be Outstanding and interest accrued or to accrue thereon as of the date of such delivery may not exceed the amount then available to be drawn under the applicable Credit Facility.

(e) Notwithstanding anything to the contrary herein, if any employee, officer or administrator of your Corporate Trust Department (or such other successor department or division which is responsible for completing your responsibilities hereunder) receives a No-Delivery Notice or the Final Drawing Notice from a Bank, you will cease completing, countersigning and issuing, and will use reasonable efforts to cease delivery of related Commercial Paper Certificates, notwithstanding any contrary instructions from the City, until such time as such Bank has rescinded the No-Delivery Notice in writing and has consented to the delivery of related Commercial Paper Certificates by a notice in writing to you.

5. Proceeds of Sale of the Commercial Paper Certificates. Contemporaneously with the execution and delivery of this Agreement, and for the purposes of this Agreement and the Trust Agreement, you will establish a fund designated the Delivery and Paying Agent Fund in the City's name (the "Delivery and Paying Agent Fund") and you will establish within such Delivery and Paying Agent Fund, a Base Rental Account (the "Base Rental Account"), an Administrative Expense Account (the "Administrative Expense Account"), a Payment Account (the "Payment Account") and a Bank Reimbursement Account (the "Bank Reimbursement Account"), in each case as agent for the Delivery and Paying Agent. You will, contemporaneously with the execution and delivery of this Agreement, and for purposes of this Agreement and the Trust Agreement, establish within each of the Bank Reimbursement Account and the Payment Account: a Series 1 Subaccount, a Series 1-T Subaccount, a Series 2 Subaccount and a Series 2-T Subaccount. Funds received in payment for the Commercial Paper Certificates are to be credited to the Delivery and Paying Agent Fund or transferred to the Accounts in the Project Fund or the Accounts in the Costs of Issuance Fund held by the Delivery and Paying Agent and applied in accordance with the provisions of the Trust Agreement and instructions provided to you by the City or the Dealer, as provided in the Trust Agreement. You will apply the purchase price for Commercial Paper Certificates for the purposes set forth in Section 3.02 of the Trust Agreement and in accordance with the written instructions of the City. You will apply the funds on deposit in the Delivery and Paying Agent Fund for the purposes and at the times set forth in Section 3.05 of the Trust Agreement, and will invest such funds as provided in the Trust Agreement. In addition, you will authenticate and deliver the Commercial Paper Certificates and accept the duties and obligations of the Delivery and Paying Agent described in the Trust Agreement, but only upon the terms and conditions described therein. From time to time, as provided in Section 3.05(f)(iii)(B) of the Trust Agreement, upon telephonic or written instructions received by you from an Authorized Representative, you agree to transfer immediately excess funds from the Base Rental Account within the Delivery and Paying Agent Fund for our account.

6. Payment of Matured Commercial Paper Certificates; Payments to Bank.

(a) On the date that any Commercial Paper Certificate is scheduled to mature or if the Delivery and Paying Agent has received the Final Drawing Notice pursuant to the applicable Credit Facility, the Delivery and Paying Agent will, by no later than 12:00 p.m. New York time on such maturity date or, in the case of receipt of the Final Drawing Notice, immediately upon receipt of such Final Drawing Notice, request an Advance in accordance with the terms of the applicable Credit Facility by delivering by facsimile a Payment Draft or Notice of Loan (as defined in the applicable Credit Facility) in the form of attached to the applicable Credit Facility and any required certificates, as appropriate, in an amount equal to the difference between the proceeds of new Commercial Paper Certificates sold on such date for which proceeds have been received by and are on hand with the Delivery and Paying Agent prior to the draw time and the principal of and interest with respect to the Commercial Paper Certificates maturing on such date or, in the case of receipt of the Final Drawing Notice, in an amount equal to the principal amount that is outstanding on such date plus interest that will accrue to the respective maturity dates of such Commercial Paper Certificates. The proceeds of all such Advances made pursuant to the applicable Credit Facility will be deposited in the Payment Account within the Delivery and Paying Agent Fund and expended for the payment of principal of and interest with respect to related maturing Commercial Paper Certificates. When any matured Commercial Paper Certificate is presented to you for payment by the holder thereof, payment will be made from and charged to the applicable subaccount within the Payment Account within the Delivery and Paying Agent Fund.

(b) The Delivery and Paying Agent will pay to each Bank from moneys on deposit in the applicable subaccount of the Bank Reimbursement Account, the Base Rental Account and the Administrative Expense Account of the Delivery and Paying Agent, amounts required to be paid to such Bank pursuant to the applicable Reimbursement Agreement.

7. Reliance on Instructions. You will incur no liability to the City in acting hereunder upon telephonic, facsimile or other instructions contemplated hereby which the recipient thereof reasonably believed in good faith to have been given by an Authorized Representative or Authorized Dealer Representative, as the case may be. If a discrepancy exists with respect to the telephonic instructions as recorded and the written instructions, the written instructions will be deemed the controlling and proper instructions. It is understood that all telephonic instructions may be recorded by you, and the City hereby consents to such recording.

8. Cancellation of Commercial Paper Certificates. You will in due course cancel Physical Commercial Paper Certificate(s) presented for payment and return them to the City. Promptly upon the written request of the City, you agree to cancel and return to the City all unissued Commercial Paper Certificates in your possession at the time of such request.

9. Representations and Warranties of City. Each instruction given to you in accordance with Paragraph 4 will constitute a representation and warranty to you by the City that the delivery and delivery of the Commercial Paper Certificates have been duly and validly authorized by the City and that the Book-Entry Commercial Paper Certificates, or, in the case of the Physical Commercial Paper Certificates, that the Physical Commercial Paper Certificates when completed, countersigned and delivered pursuant hereto, will constitute the legal, valid and binding obligations of the City, and that your appointment to act for the City hereunder has been duly authorized by all necessary corporate action of the City.

10. Notice: Addresses.

(a) All communications by or on behalf of the Trustee, the City or the Dealer, by telephone or otherwise, relating to the completion, authentication, delivery or payment of the Commercial Paper Certificate(s) are to be directed to your Commercial Paper Issuance Unit of your Corporate Trust Department (or such other department or division which you will specify in writing to the Trustee, the City or the Dealer). The City will send all Commercial Paper Certificates to be completed and delivered by you to your Commercial Paper Issuance Unit of your Corporate Trust Department (or such other department or division as you will specify in writing to the City). You will advise the Trustee, the City and the Dealer from time to time of the individuals generally responsible for the administration of this Agreement, will from time to time certify incumbency and specimen signatures of officers or employees authorized to countersign Commercial Paper Certificates and will supply a list of employees authorized to receive telephonic instructions.

(b) Notices and other communications hereunder will (except to the extent otherwise expressly provided) be in writing and will be addressed as follows, or to such other address as the party receiving such notice has previously specified to the party sending such notice:

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

if to you:

U.S. Bank Trust Company, National Association
100 Wall Street, Suite 600
New York, New York 10005
Attention:
Facsimile: (212) 514-6841

if to the Dealer:

J.P. Morgan Securities LLC
383 Madison Avenue, 8th Floor
New York, New York 10179
Attention: Joseph Sesin/Charlie Griffin/Peter McCarthy
Telephone: (212) 834-7224
Telecopier: (917) 456-3541
Email: joseph.a.sesin@jpmorgan.com
charles.a.giffin@jpmorgan.com
peter.mccarthy@jpmorgan.com

if to the Bank(s):

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking
Telephone: (628) 260-3382
Email: dale.r.barton@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Kavita Singh, Relationship Associate
Telephone: (415) 222-3394
Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

if to the Trustee:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, California 94111
Attention: Corporate Trust Services
Facsimile: (415) 273-4591

Notices will be deemed delivered when received at the address specified above. For purposes of this paragraph, “when received” means actual receipt (i) of an electronic communication by a telex machine, telecopier or time-sharing terminal specified in or pursuant

to this Agreement; (ii) of an oral communication by any person answering the telephone at your office specified in subparagraph 10(a) hereof and otherwise at the office of the individual or department specified in or pursuant to this Agreement; or (iii) of a written communication hand-delivered or mailed to the office specified in or pursuant to this Agreement.

11. Additional Information. Upon the request of the City given at any time and from time to time, you will promptly provide the City with information with respect to the Commercial Paper Certificate(s) issued and paid hereunder. Such request will be in written form and will include the serial number, principal amount, date of issue, maturity date and interest rate of each Commercial Paper Certificate which has been issued or paid by you and for which the request is being made. You and the City will discuss from time to time the extent to which such information is reasonably available and the times at which you can reasonably furnish such information.

12. Liability. Neither you nor your officers, employees or agents will be liable for any act or omission hereunder, except in the case of ordinary negligence or willful misconduct, in which case you will indemnify, defend and hold harmless the City's officers, employees and agents from and against any liability, claim, damage cost or expense (including legal fees and expenses) related to or arising out of such ordinary negligent action or inaction or willful misconduct, except to the extent that they are caused directly by the City's gross negligence or willful misconduct. This indemnity obligation will survive termination of this Agreement.

13. Indemnification. The City agrees to indemnify you and your officers, employees and agent from and against all liabilities, claims, damages, costs and expense (including legal fees and expenses) relating to or arising out of their actions or inactions in connection with this Agreement, except to the extent they are caused by your negligence or willful misconduct. This indemnity will survive termination of this Agreement.

14. Waiver of Setoff Offset Lien or Counterclaim. You hereby waive to the fullest extent possible under applicable law any and all rights of setoff, offset, lien or counterclaim you may have with respect to any amounts held by you in the Delivery and Paying Agent Fund, including without limitation the Payment Account and the Bank Reimbursement Account, by reason of any claim you may have against the City, a Bank or any other person.

15. Benefit of Agreement. This Agreement is solely for the benefit of the parties hereto, each Bank and the holders of any Certificates, and no other person will acquire or have any right under or by virtue hereof.

16. Termination. This Agreement may be terminated as provided in the Trust Agreement, but such termination will not affect the respective liabilities of the parties hereunder arising prior to such termination.

17. Governing Law; Venue. This Agreement is to be delivered and construed and enforced in accordance with, and the rights of the parties will be governed by, the laws of the State of California. If any party to this Agreement initiates any legal or equitable action to enforce the terms of this Agreement, to declare the rights of the parties under this Agreement or which relates to this Agreement in any manner, each such party agrees that the place of making and for performance of this Agreement is the City and County of San Francisco, State of California, and the proper venue for any such action is any court of competent jurisdiction.

18. Fees. You will receive fees from the City for acting as depository, delivery agent and paying agent hereunder in such amounts as you and the City will agree from time to time in writing.

19. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which is deemed to be an original and all of which will constitute but one and the same agreement.

20. Amendments. This Agreement may be amended in writing by the parties hereto, but only with the prior written consent of the Banks.

21. Additional City Requirements. Additional requirements of the City with respect to this Agreement are attached as Exhibit A and are incorporated by reference herein, and by executing this Agreement, you are agreeing to comply with those provisions.

22. Notice of Delivery of Alternate Credit Facility. You hereby acknowledge the delivery by the Wells Fargo Bank, National Association of a line of credit pursuant to a Revolving Credit Agreement, dated as of [Month] 1, 2023, between Wells Fargo Bank, National Association and the City, effective on _____, 2023 (the "Effective Date"), as an Alternate Credit Facility under the Trust Agreement and the replacement of the liquidity facilities previously delivered by State Street Bank and Trust Company and U.S. Bank National Association to support the Commercial Paper Certificates as a result thereof, and you hereby waive the requirement set forth in Section 6.02 of the Trust Agreement that the City provide written notice of such delivery and replacement to you not less than 30 days prior to the Effective Date.

[Signature Page Follows on Next Page]

Please indicate your agreement with and acceptance of the foregoing terms and provisions by signing the counterpart of this letter as indicated below.

CITY AND COUNTY OF SAN FRANCISCO

By: _____
Anna Van Degna
Director of the Office of Public Finance

APPROVED AS TO FORM:

CITY ATTORNEY

By:_____
Mark D. Blake
Deputy City Attorney

AGREED TO AND ACCEPTED:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATON,
as Delivery and Paying Agent

By: _____

Title:_____

EXHIBIT A

ADDITIONAL CITY REQUIREMENTS

1. Nondiscrimination; Penalties.

(a) *Nondiscrimination in Contracts.* The Delivery and Paying Agent shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. The Delivery and Paying Agent 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. The Delivery and Paying Agent 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.* The Delivery and Paying Agent does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, 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 Section12B.2.

2. MacBride Principles—Northern Ireland. The provisions of San Francisco Administrative Code §12F are incorporated by this reference and made part of this Agreement. By entering into this Agreement, the Delivery and Paying Agent 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. Pursuant to San Francisco Environment Code Section 804(b), the City urges the Delivery and Paying Agent 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 the Delivery and Paying Agent to remove from, City facilities personnel of the Delivery and Paying Agent 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. The Delivery and Paying Agent shall provide the services specified in this Agreement 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. The Delivery and Paying Agent acknowledges that this Agreement and all records related to its formation, the Delivery and Paying Agent's performance under this Agreement, and the City's payment are subject to the California Public Records Act, (California Government Code §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 this Agreement, the Delivery and Paying Agent 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 (i) 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, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of 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 the Delivery and Paying Agent's board of directors; the Delivery and Paying Agent's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in the Delivery and Paying Agent; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by the Delivery and Paying Agent. The Delivery and Paying Agent 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 the 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. If Administrative Code Chapter 12P applies to this Agreement, the Delivery and Paying Agent shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. The Delivery and Paying Agent is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at http://sfgov.org/olse/mco. The Delivery and Paying Agent is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, the Delivery and Paying Agent certifies that it complies with Chapter 12P.

9. Requiring Health Benefits for Covered Employees. If Administrative Code Chapter 12Q applies to this Agreement, the Delivery and Paying Agent shall comply with the requirements of Chapter 12Q. For each Covered Employee, the Delivery and Paying Agent shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If the Delivery and Paying Agent chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of the Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at http://sfgov.org/olse/hcao. The Delivery and Paying Agent is subject to the enforcement and penalty provisions in Chapter 12Q. Any subcontract entered into by the Delivery and Paying Agent shall require any subcontractor with 20 or more employees to

comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

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

11. Nondisclosure of Private, Proprietary or Confidential Information. If this Agreement requires the City to disclose "Private Information" to the Delivery and Paying Agent within the meaning of San Francisco Administrative Code Chapter 12M, the Delivery and Paying Agent shall use such information consistent with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the services provided under this Agreement. The Delivery and Paying Agent is subject to the enforcement and penalty provisions in Chapter 12M.

In the performance of services provided under this Agreement, the Delivery and Paying Agent 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 the Delivery and Paying Agent, such information must be held by the Delivery and Paying Agent in confidence and used only in performing this Agreement. The Delivery and Paying Agent 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. The Delivery and Paying Agent 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 this Agreement. The text of Chapter 12T is available on the web at http://sfgov.org/olse/fco. A partial listing of some of the Delivery and Paying Agent's obligations under Chapter 12T is set forth in this Section. The Delivery and Paying Agent 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 this Agreement shall have the meanings assigned to such terms in Chapter 12T.

The requirements of Chapter 12T shall only apply to the Delivery and Paying Agent's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, 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 which excludes Airport property. 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. First Source Hiring Program. The Delivery and Paying Agent must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco

Administrative Code, that apply to this Agreement, and the Delivery and Paying Agent is subject to the enforcement and penalty provisions in Chapter 83.

14. Submitting False Claims; Monetary Penalties. The full text of San Francisco Administrative Code § 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Under San Francisco Administrative Code §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.

15. Conflict of Interest. By entering into this Agreement, the Delivery and Paying Agent 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 this Agreement.

16. Food Service Waste Reduction Requirements. The Delivery and Paying Agent 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. Distribution of Beverages and Water. The Delivery and Paying Agent 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 this Agreement. The Delivery and Paying Agent agrees that it shall not sell, provide or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

18. Consideration of Salary History. The Delivery and Paying Agent shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." The Delivery and Paying Agent is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at

https://sfgov.org/olse/consideration-salary-history. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

19. Laws Incorporated by Reference. The full text of the laws listed in this Exhibit A, including enforcement and penalty provisions, are incorporated into this Agreement by reference. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Exhibit A are available at http://www.amlegal.com/codes/client/san-francisco_ca/.

SECOND SUPPLEMENT TO TRUST AGREEMENT

Dated as of [Month] 1, 2023

between the

CITY AND COUNTY OF SAN FRANCISCO

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

RELATING TO

City and County of San Francisco
Tax-Exempt Lease Revenue
Commercial Paper Certificates of
Participation, Series 1

and

City and County of San Francisco
Taxable Lease Revenue
Commercial Paper Certificates of
Participation, Series 1-T

City and County of San Francisco
Tax-Exempt Lease Revenue
Commercial Paper Certificates of
Participation, Series 2

and

City and County of San Francisco
Taxable Lease Revenue
Commercial Paper Certificates of
Participation, Series 2-T

SECOND SUPPLEMENT TO TRUST AGREEMENT

THIS SECOND SUPPLEMENT TO TRUST AGREEMENT, dated as of [Month] 1, 2023 (this "Second Supplement to Trust Agreement"), by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a charter city and county organized and existing under the laws of the State of California (the "**City**"), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States (the "**Trustee**"), as successor to U.S. Bank National Association, supplements that certain Trust Agreement, dated as of June 1, 2010, as amended pursuant to that certain First Supplement to Trust Agreement, dated as of May 1, 2016, each between the City and the Trustee (as so amended, the "**Original Trust Agreement**").

BACKGROUND:

WHEREAS, the City has previously adopted and implemented a program under which the City provides financing for certain public capital improvements (collectively, the "**Projects**") and delivered its Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 1 (the "**Series 1 Certificates**"), its Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2 (the "**Series 2 Certificates**" and, with the Series 1 Certificates, the "**Tax-Exempt Commercial Paper Certificates**"), its Taxable Lease Revenue Commercial Paper Certificates, Series 1-T (the "**Series 1-T Certificates**") and its Taxable Lease Revenue Commercial Paper Certificates, Series 2-T (the "**Series 2-T Certificates**" and, with the Series 1-T Certificates, the "**Taxable Commercial Paper Certificates**"). The Tax-Exempt Commercial Paper Certificates and the Taxable Commercial Paper Certificates are referred to collectively as the "**Commercial Paper Certificates**."

WHEREAS, the City entered into the Original Trust Agreement in order to provide for the authentication and delivery of the Commercial Paper Certificates, to establish and declare the terms and conditions upon which the Commercial Paper Certificates were delivered and secured, and to secure the payment of the principal and interest with respect thereto.

WHEREAS, in connection with the execution and delivery of the Commercial Paper Certificates, pursuant to a Site Lease, dated as of June 1, 2010, as amended by a First Amendment to Site Lease dated as of May 1, 2016 (as so amended, the "**Original Site Lease**"), each by and between the City and the Trustee, the Trustee leases from the City certain Property (as defined therein) located in the City, including the buildings and improvements thereon owned by the City.

WHEREAS, in connection with the execution and delivery of the Commercial Paper Certificates, pursuant to a Sublease, dated as of June 1, 2010, as amended by a First Amendment to Sublease dated as of May 1, 2016 (as so amended, the "**Original Sublease**"), each by and between the City and the Trustee, the City subleases the Property from the Trustee in furtherance of the City's public purposes.

WHEREAS, the City has from time to time executed and delivered the Commercial Paper Certificates, evidencing proportionate interests in all of the rights of the Trustee under the Sublease, including the right to receive Base Rental payments payable thereunder, and undertook such other responsibilities as are assigned to the Trustee under the Original Trust Agreement.

WHEREAS, Wells Fargo Bank, National Association (the "Bank") proposes to provide liquidity support to the Series 2 Certificates and Series 2-T Certificates through a line of credit in the aggregate principal amount of $163,500,000 pursuant to a Revolving Credit Agreement, dated as of [Month] 1, 2023 (the "Revolving Credit Agreement"), between Wells Fargo Bank, National Association and the City, effective on _____, 2023 (the "Effective Date"), which line of credit will constitute an Alternate Credit Facility under the Original Trust Agreement.

WHEREAS, the City and the Trustee desire to amend the Original Trust Agreement, as provided in Section 7.01 thereof, in order to reflect the delivery of said line of credit as an Alternate Credit Facility under the Original Trust Agreement and replace the providers of the previous Credit Facilities.

WHEREAS, concurrently with the delivery of said line of credit as an Alternate Credit Facility under the Original Trust Agreement and replace the providers of the previous Credit Facilities, the City and the Trustee desire to amend the Original Site Lease and the Original Sublease to amend certain provisions thereof.

A G R E E M E N T:

In consideration of the foregoing and the material covenants hereinafter contained, the City and the Trustee formally covenant, agree and bind themselves as follows:

SECTION 1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the terms defined in the recitals above have the respective meanings given those terms when used in this Second Supplement to Trust Agreement. Capitalized terms which are defined in the Original Trust Agreement and which are not otherwise defined herein shall have the respective meanings given those terms in the Original Trust Agreement.

SECTION 2. Notice of Delivery of Alternate Credit Facility. The Trustee hereby acknowledges the delivery by the Bank of a line of credit pursuant to the Revolving Credit Agreement as an Alternate Credit Facility under the Original Trust Agreement and the replacement of the liquidity facilities previously delivered by State Street Bank and Trust Company and U.S. Bank National Association to support to the Commercial Paper Certificates, and the Trustee hereby waives the requirement set forth in Section 6.02 of the Original Trust Agreement that the City provide written notice of such delivery and replacement to the Trustee not less than 30 days prior to the Effective Date.

SECTION 3. Amendments.

(a) The following defined terms are added to Section 1.02 of the Original Trust Agreement to appear in alphabetical order therein, and made a part thereof:

"**Second Supplement**" means the Second Supplement to Trust Agreement, dated as of [Month] 1, 2023, between the City and the Trustee.

(b) The following defined terms set forth in Section 1.02 of the Original Trust Agreement are hereby amended to read in their entirety as follows:

"**Banks**" means the provider or providers issuing a Credit Facility or any provider or providers issuing an Alternate Credit Facility, as long as such Credit Facility or

Alternate Credit Facility is in effect with respect to any of the Commercial Paper Certificates or any amounts are or may become due and payable thereunder. Commencing on the effective date of the Second Supplement, "Banks" means Wells Fargo Bank, National Association. If there is more than one Bank, references to "the Bank" or "a Bank" will be deemed to refer to the Bank providing a Credit Facility for the applicable series of Commercial Paper Certificates.

"**Delivery and Paying Agent Agreement**" means the Second Amended and Restated Delivery and Paying Agent Agreement dated as of [Month] 1, 2023 between U.S. Bank Trust Company, National Association, and the City, as it may hereafter be amended, restated, supplemented or otherwise modified, or any similar agreement between the City and any successor or substitute Delivery and Paying Agent.

"**Reimbursement Agreements**" means the Revolving Credit Agreement dated as of [Month] 1, 2023, between the City and Wells Fargo Bank, National Association, together with the Fee Agreement dated _____, 2023, between Wells Fargo Bank, National Association and the City, as the same may be amended, restated, supplemented or otherwise modified from time to time, pursuant to which an Alternate Credit Facility in the form of a line of credit has been issued to support the payment of the Series 2 Certificates and Series 2-T Certificates. References to "the Reimbursement Agreement" or "a Reimbursement Agreement" refer to the Reimbursement Agreement for the applicable series of Commercial Paper Certificates.

(c) Section 2.01 of the Original Trust Agreement is hereby amended by adding the following paragraph immediately after the last paragraph thereafter:

"For so long as only one Credit Facility is in effect and such Credit Facility is in a stated amount (not taking into account any unreimbursed drawings thereunder) that allows for the execution and delivery of the Maximum Principal Amount of Certificates, the City will cause the execution and delivery of only the Series 2 Certificates and the Series 2-T Certificates and will not cause the execution and delivery of the Series 1 Certificates and the Series 1-T Certificates."

(d) Section 2.04 of the Original Trust Agreement is hereby amended by replacing the word "Authority" appearing therein and inserting "City" in place thereof.

(e) Section 2.05 of the Original Trust Agreement is hereby amended by replacing the words "Executive Director" and "Treasurer" therein and inserting "Mayor" and "Controller," respectively, in place thereof.

(f) Section 2.11 of the Original Trust Agreement is hereby amended by amending the first paragraph thereof to read in its entirety as follows:

"The Authorized Representative has arranged for a Credit Facility to be delivered to the Delivery and Paying Agent with respect to the Series 2 Certificates and Series 2-T Certificates. The Delivery and Paying Agent will draw moneys, or demand payment, under such Credit Facility in accordance with the terms thereof in amounts necessary to make timely payment of the principal of and interest with respect to such Series 2 Certificates and Series 2-T Certificates when due."

(g) Section 10.02 of the Original Trust Agreement is hereby amended by replacing the notice address for State Street Bank and Trust Company and U.S. Bank, National Association with the following address for Wells Fargo Bank, National Association:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking
Telephone: (628) 260-3382
Email: dale.r.barton@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Kavita Singh, Relationship Associate
Telephone: (415) 222-3394
Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

(h) Exhibits A-1 and A-2 are amended to read as forth to read as set forth in Exhibits A-1 and A-2, respectively hereto.

SECTION 4. Original Trust Agreement. Except as amended hereby, the Original Trust Agreement will remain in full force and effect. Reference to this Second Supplement to Trust Agreement need not be made in any note, document, agreement, letter, certificate, the Original Trust Agreement or any communication issued or made subsequent to or with respect to the Original Trust Agreement, it being hereby agreed that any reference to the Original Trust Agreement shall be sufficient to refer to the Original Trust Agreement, as hereby amended.

SECTION 5. Effective Date of Second Supplement to Trust Agreement. This Second Supplement to Trust Agreement shall take effect upon its execution and delivery, but only upon the receipt of the consent of Wells Fargo Bank, National Association.

SECTION 6. Severability of Invalid Provisions. If any one or more of the provisions contained in this Second Supplement to Trust Agreement are for any reason held to be invalid, illegal or unenforceable in any respect, then such provision or provisions will be deemed severable from the remaining provisions contained in this Second Supplement to Trust Agreement and such invalidity, illegality or unenforceability will not affect any other provision of this Second Supplement to Trust Agreement, and this Second Supplement to Trust Agreement will be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City and the Trustee each hereby declares that it would have entered into this Second Supplement to Trust Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections,

paragraphs, sentences, clauses or phrases of this Second Supplement to Trust Agreement may be held illegal, invalid or unenforceable.

SECTION 7. Execution in Counterparts. This Second Supplement to Trust Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument. This Second Supplement to Trust Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a pdf copy to an email, and any printed or copied version of any signature page so delivered will have the same force and effect as an originally signed version of such signature page.

[Signature Page Follows on the Next Page]

IN WITNESS WHEREOF, the parties have executed this Second Supplement to Trust Agreement effective the date first above written.

CITY AND COUNTY OF SAN FRANCISCO

By:_____
Anna Van Degna
Director of the Office of Public Finance

APPROVED AS TO FORM:

CITY ATTORNEY

By:_____
Mark D. Blake
Deputy City Attorney

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

By:_____
Authorized Officer

The undersigned hereby consent to the execution and delivery of this Second Supplement to Trust Agreement effective the date first above written.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By:_____
Authorized Officer

EXHIBIT A-1

FORM OF COMMERCIAL PAPER CERTIFICATE

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

TAX-EXEMPT LEASE REVENUE

COMMERCIAL PAPER CERTIFICATE OF PARTICIPATION, [SERIES 1][SERIES 2]

No.: ____	Certificate Date: _____
Principal Amount: ____	Maturity Date: _____
Interest to Maturity: ____	Number of Days: ____
Due at Maturity: ____	Interest Rate (%): ____

THIS IS TO CERTIFY THAT the registered owner identified above or registered assigns, as the registered owner of this Tax-Exempt Lease Revenue Commercial Paper Certificate of Participation, [Series 1][Series 2] (the "Certificate" or “Commercial Paper Certificate”), is the owner of a proportionate interest in a Sublease, including the right to receive Base Rental payments payable thereunder (as amended from time to time, the "Sublease"), dated as of June 1, 2010, between the City and County of San Francisco (the "City"), a charter city and county of the State of California (the "State"), as lessee, and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the "Trustee"), as successor to U.S. Bank National Association.

The registered owner of this Certificate is entitled to receive, subject to the terms of the Sublease, on the maturity date identified above, the principal sum specified above representing a portion of the Base Rental payments designated as principal coming due on or prior to such date, and to receive interest, if any, on said principal amount at said maturity date, from the above specified Certificate date to said maturity date at the per annum interest rate shown above (computed on the basis of actual days elapsed and a 365-day or 366-day year); both principal and interest with respect to this Certificate being payable in lawful money of the United States of America at the principal corporate office of U.S. Bank Trust Company, National Association, as paying agent (the “Delivery and Paying Agent”) executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor at the principal corporate office of such successor.

This Commercial Paper Certificate has been executed and delivered under that certain Trust Agreement, dated as of June 1, 2010 (as amended, supplemented and modified from time to time, the "Trust Agreement"), between the City and the Trustee, for the purpose of financing Project Costs (as defined in the Trust Agreement) and to refinance, renew or refund the Certificates (as defined in the Trust Agreement) delivered under the provisions of the Trust Agreement. The City is also authorized under the Trust Agreement to issue its Taxable Lease Revenue Commercial Paper Certificates.

Reference is hereby made to the Trust Agreement (a copy of which is on file at said principal corporate trust office of the Trustee) and all amendments and supplements thereto for a description of the rights thereunder of the bearers of the Commercial Paper Certificates, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and the Delivery and Paying Agent and of the rights and obligations of the City thereunder, to all the provisions of which Trust Agreement the registered holder of this Commercial Paper Certificate, by acceptance hereof, assents and agrees. All capitalized terms herein not otherwise defined will have the meaning ascribed to them in the Trust Agreement.

The City is required under the Sublease to pay Base Rental from any source of legally available funds. The City has covenanted in the Sublease to make the necessary annual appropriations for such purpose. Base Rental is required to be deposited with the Delivery and Paying Agent, as agent for the Trustee, on each October 1, January 1, April 1 and July 1, for application to the Base Rental Account established pursuant to the Trust Agreement. The City has also pledged all amounts on deposit from time to time in the funds and accounts established pursuant to the Trust Agreement (other than in the Rebate Fund) to the payment of all Base Rental.

The obligation of the City to pay Base Rental does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental does not constitute an indebtedness of the City, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The City's obligation to pay Base Rental will be abated during any period in which, by reason of material damage, destruction, condemnation or title defect, there is substantial interference with the City's right of use and occupancy of the Property or any portion thereof. Failure of the City to pay Base Rental during any such period will not constitute a default under the Sublease, the Trust Agreement or this Certificate.

This Commercial Paper Certificate will not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any other purpose, until the Delivery and Paying Agent will have authenticated the same by manual signature.

It is hereby certified and recited that all acts, conditions and things required by law and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Commercial Paper Certificate, do exist, have happened and have been performed in regular and in due time, form and manner as required by the Constitution and laws of the State of California; and that delivery of this Commercial Paper Certificate, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of California, and is not in excess of the amount of Certificates permitted to be delivered under the Trust Agreement.

IN WITNESS WHEREOF, the City and County of San Francisco has caused this Commercial Paper Certificate to be executed in its name by its duly authorized representative and has caused this Commercial Paper Certificate to be dated the Certificate Date set forth above.

By:_____
Controller

DELIVERY AND PAYING AGENT'S
CERTIFICATE OF AUTHENTICATION

This Commercial Paper Certificate is one of the Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, [Series 1][Series 2] delivered under the within mentioned Trust Agreement.

Dated: _____

U.S. Bank Trust Company, National Association,
as Delivery and Paying Agent

By:_____
Authorized Signatory

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Certificate and hereby irrevocably constitute(s) and appoints(s)_____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated:_____

Signature Guaranteed:_____

_____

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without altercation or enlargement or any change whatsoever.

_____

Note: Signature(s) must be guaranteed by an eligible guarantor.

EXHIBIT A-2

FORM OF COMMERCIAL PAPER CERTIFICATE

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

TAXABLE LEASE REVENUE

COMMERCIAL PAPER CERTIFICATE OF PARTICIPATION, [SERIES 1-T][SERIES 2-T]

No.: ____	Certificate Date: _____
Principal Amount: ____	Maturity Date: _____
Interest to Maturity: ____	Number of Days: ____
Due at Maturity: ____	Interest Rate (%): ____

THIS IS TO CERTIFY THAT the registered owner identified above or registered assigns, as the registered owner of this Taxable Lease Revenue Commercial Paper Certificate of Participation, [Series 1-T][Series 2-T] (the "Certificate" or “Commercial Paper Certificate”), is the owner of a proportionate interest in a Sublease, including the right to receive Base Rental payments payable thereunder (the "Sublease"), dated as of June 1, 2010, between the City and County of San Francisco (the "City"), a charter city and county of the State of California (the "State"), as lessee, and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the "Trustee"), as successor to U.S. Bank National Association.

The registered owner of this Certificate is entitled to receive, subject to the terms of the Sublease, on the maturity date identified above, the principal sum specified above representing a portion of the Base Rental payments designated as principal coming due on or prior to such date, and to receive interest, if any, on said principal amount at said maturity date, from the above specified Certificate date to said maturity date at the per annum interest rate shown above (computed on the basis of actual days elapsed and a 360-day year); both principal and interest with respect to this Certificate being payable in lawful money of the United States of America at the principal corporate office of U.S. Bank Trust Company, National Association, as paying agent (the “Delivery and Paying Agent”) executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor at the principal corporate office of such successor.

This Commercial Paper Certificate has been executed and delivered under that certain Trust Agreement, dated as of June 1, 2010 (as amended, supplemented and modified from time to time, the "Trust Agreement"), between the City and the Trustee, for the purpose of financing Project Costs (as defined in the Trust Agreement) and to refinance, renew or refund the Certificates (as defined in the Trust Agreement) delivered under the provisions of the Trust Agreement. The City is also authorized under the Trust Agreement to issue its Tax-Exempt Lease Revenue Commercial Paper Certificates.

Reference is hereby made to the Trust Agreement (a copy of which is on file at said principal corporate trust office of the Trustee) and all amendments and supplements thereto for a description of the rights thereunder of the bearers of the Commercial Paper Certificates, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and the Delivery and Paying Agent and of the rights and obligations of the City thereunder, to all the provisions of which Trust Agreement the registered holder of this Commercial Paper Certificate, by acceptance hereof, assents and agrees. All capitalized terms herein not otherwise defined will have the meaning ascribed to them in the Trust Agreement.

The City is required under the Sublease to pay Base Rental from any source of legally available funds. The City has covenanted in the Sublease to make the necessary annual appropriations for such purpose. Base Rental is required to be deposited with the Delivery and Paying Agent, as agent for the Trustee, on each October 1, January 1, April 1 and July 1, for application to the Base Rental Account established pursuant to the Trust Agreement. The City has also pledged all amounts on deposit from time to time in the funds and accounts established pursuant to the Trust Agreement (other than in the Rebate Fund) to the payment of all Base Rental.

The obligation of the City to pay Base Rental does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Base Rental does not constitute an indebtedness of the City, the State, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The City's obligation to pay Base Rental will be abated during any period in which, by reason of material damage, destruction, condemnation or title defect, there is substantial interference with the City's right of use and occupancy of the Property or any portion thereof. Failure of the City to pay Base Rental during any such period will not constitute a default under the Sublease, the Trust Agreement or this Certificate.

This Commercial Paper Certificate will not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any other purpose, until the Delivery and Paying Agent will have authenticated the same by manual signature.

It is hereby certified and recited that all acts, conditions and things required by law and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Commercial Paper Certificate, do exist, have happened and have been performed in regular and in due time, form and manner as required by the Constitution and laws of the State of California; and that delivery of this Commercial Paper Certificate, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of California, and is not in excess of the amount of Certificates permitted to be delivered under the Trust Agreement.

IN WITNESS WHEREOF, the City and County of San Francisco has caused this Commercial Paper Certificate to be executed in its name by its duly authorized representative and has caused this Commercial Paper Certificate to be dated the Certificate Date set forth above.

By:_____
Controller

DELIVERY AND PAYING AGENT'S
CERTIFICATE OF AUTHENTICATION

This Commercial Paper Certificate is one of the Taxable Lease Revenue Commercial Paper Certificates of Participation, [Series 1-T][Series 2-T] delivered under the within mentioned Trust Agreement.

U.S. Bank Trust Company, National Association,
as Delivery and Paying Agent

By:_____
Authorized Signatory

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Certificate and hereby irrevocably constitute(s) and appoints(s)_____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated:_____

Signature Guaranteed:_____

_____

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without altercation or enlargement or any change whatsoever.

_____

Note: Signature(s) must be guaranteed by an eligible guarantor.

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

JONES HALL, A PROFESSIONAL LAW CORPORATION
475 Sansome Street, Suite 1700
San Francisco, California 94111
ATTENTION: Juan M. Galvan, Esq.

SECOND AMENDMENT TO SITE LEASE

935 Folsom Street (Lot 313, Block 3753)

2789 25th Street (Lot 013, Block 4277)

166-170 Otis (Lot 008, Block 3513; Lot 081, Block 3513; Lot 082, Block 3513)

2323 Cesar Chavez (Lot 001, Block 4341; Lot 003, Block 4341; Lot 001, Block 4342; Lot 001A, Block 4342; Lot 001A, Block 4343; Lot 001F, Block 4343)

350 Amber Drive (Lot 005, Block 7521)

2310 Folsom Drive (Lot 059, Block 3594)

NO DOCUMENTARY TRANSFER TAX DUE. This Second Amendment to Site Lease is recorded for the benefit of the City and County of San Francisco and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

SECOND AMENDMENT TO SITE LEASE

Dated as of [Month] 1, 2023

between the

CITY AND COUNTY OF SAN FRANCISCO ,
as lessor,

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
in its capacity as Trustee,
as lessee

SECOND AMENDMENT TO SITE LEASE

THIS SECOND AMENDMENT TO SITE LEASE (the “Second Amendment”), dated as of [Month] 1, 2023, is entered into between the **CITY AND COUNTY OF SAN FRANCISCO**, a charter city and county duly organized and existing under the laws and the Constitution of the State of California (the "City"), as lessor, and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, solely in its capacity as Trustee (the "Trustee") under the Trust Agreement dated as of June 1, 2010 (as amended, supplemented or modified from time to time, the “Trust Agreement”) between the City and the Trustee, as lessee.

***B A C K G R O U N D**:*

***WHEREAS**,* in connection with the execution and delivery of the City’s Series 1 Certificates, Series 1-T Certificates, Series 2 Certificates and Series 2-T Certificates (collectively, the “Commercial Paper Certificates,” as more fully defined in the Trust Agreement), the City and the Trustee entered into a Site Lease dated as of June 1, 2010, recorded by the San Francisco Assessor-Recorder on June 9, 2010 as document number 2010-I979428, as amended by a First Amendment to Site Lease dated as of May 1, 2016, recorded by the San Francisco Assessor-Recorder on May 31, 2016 as document number 2016-K267869-00 (as so amended, the “Existing Site Lease” and, as amended by this Second Amendment, the “Site Lease”), pursuant which the Property (as defined in the Existing Site Lease) is leased by the City, as lessor, to the Trustee, as lessee;;

***WHEREAS**,* the Trustee has subleased the Property to the City pursuant to a Sublease, dated as of June 1, 2010, between the Trustee and the City, recorded by the San Francisco Assessor-Recorder on June 9, 2010 as document number 2010-I979428 as amended by a First Amendment to Sublease dated as of May 1, 2016, recorded by the San Francisco Assessor-Recorder on May 31, 2016, as document number 2016-K267870-00 (as so amended, the “Existing Sublease”);

***WHEREAS**,* the Existing Sublease is being amended by a Second Amendment to Sublease dated as of [Month] 1, 2023, between the City, as sublessee, and U.S. Bank Trust Company, National Association, in its capacity as Trustee, as sublessor, and being recorded concurrently herewith;

***WHEREAS**,* the Trustee has subleased the Property to the City pursuant to a Sublease, dated as of June 1, 2010, between the Trustee and the City, recorded by the San Francisco Assessor-Recorder on June 9, 2010 as document number 2010-I979429 (the “Original Sublease”), which is being amended by a Second Amendment to Sublease dated as of May 1, 2016, between U.S. Bank Trust Company, National Association, in its capacity as trustee, as sublessor, and the City, as sublessee, and recorded concurrently herewith (together with the Original Sublease, the “Sublease”);

WHEREAS, the Commercial Paper Certificates have been delivered from time to time pursuant to the Trust Agreement;

WHEREAS, concurrently herewith, the City and the Trustee will enter into a Second Supplement to Trust Agreement dated as of [Month] 1, 2023 (the “Second Supplement to Trust Agreement”) in order to reflect the delivery by Wells Fargo Bank, National Association of a line of credit as an Alternate Credit Facility (as defined in the Trust Agreement) under the Trust

Agreement to provide liquidity support to the Series 2 Certificates and Series 2-T Certificates (as such terms are defined in the Trust Agreement) and to replace the providers of the previous Credit Facilities (as defined in the Trust Agreement);

WHEREAS, the City and the Trustee desire to amend the Existing Site Lease to, (i) pursuant to Section 17 thereof, reflect the delivery by Wells Fargo Bank, National Association of said line of credit, and (ii) pursuant to Section 17 thereof and Section 7.02 of the Trust Agreement, release from the leasehold under the Site Lease certain property known as the Police Academy (the "Removed Property"), as more particularly described in Exhibit B hereto; and

WHEREAS, the City and the Trustee have duly authorized the execution and delivery of this Second Amendment;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

Section 1. Release of Property. The City and the Trustee hereby agree that the Removed Property shall be removed from the Property leased to the Trustee by the City pursuant to the Site Lease.

Section 2. Notice for Banks. Section 14 of the Existing Site Lease is hereby amended by replacing the notice address for JPMorgan Chase Bank, National Association and U.S. Bank National Association therein with the following address for Wells Fargo Bank, National Association:

Banks: Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking
Telephone: (628) 260-3382
Email: dale.r.barton@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Kavita Singh, Relationship Associate
Telephone: (415) 222-3394
Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

or to such other address or addresses as the City or Wells Fargo Bank, National Association has designated to the others by notice given in accordance with the provisions of this Section 14.

Section 3. Execution in Counterparts. This Second Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 4. Existing Site Lease. Except as amended hereby, the Existing Site Lease will remain in full force and effect. Reference to this Second Amendment need not be made in any note, document, agreement, letter, certificate, the Existing Site Lease or any communication issued or made subsequent to or with respect to the Existing Site Lease, it being hereby agreed that any reference to the Existing Site Lease shall be sufficient to refer to the Existing Site Lease, as hereby amended.

Section 5. Effective Date. This Second Amendment shall be effective, and shall become binding against the City and the Trustee, as of the date hereof.

Section 6. Real Property. The real property encumbered by the Site Lease, as amended by the removal of the Removed Property, is set forth in Exhibit A hereto, which Exhibit A shall replace Exhibit A to the Original Sublease.

Section 7. Severability. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

[Signature Page Follows on the Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Site Lease as of the date first above written.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee and Lessor

By:_____
Authorized Officer

CITY AND COUNTY OF SAN FRANCISCO, as Lessee

By:_____
Anna Van Degna
Director of the Office of Public Finance

APPROVED AS TO FORM:

CITY ATTORNEY

By:_____
Mark D. Blake
Deputy City Attorney

The undersigned hereby consent to the execution and delivery of this Second Amendment to Site Lease effective the date first above written.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By:_____
Authorized Officer

EXHIBIT A

LEGAL DESCRIPTION

FIRE STATION 1

For APN/Parcel ID(s): Lot 313, Block 3753

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL A, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "PARCEL MAP 6314, BEING A TWO LOT SUBDIVISION OF THAT REAL PROPERTY DESCRIBED IN THAT CERTAIN DEED RECORDED MARCH 30, 2010 IN REEL K110, IMAGE 0014", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA ON OCTOBER 31, 2012 IN BOOK 48 OF PARCEL MAPS, AT PAGES 121-122, INCLUSIVE.

PARCEL TWO:

A NON-EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL ONE ABOVE, FOR PARKING, OVER, ALONG AND THROUGH A PORTION OF PARCEL B, AS SAID PARCEL IS SHOWN ON THAT CERTAIN MAP ENTITLED, "PARCEL MAP 6314, BEING A TWO LOT SUBDIVISION OF THAT REAL PROPERTY DESCRIBED IN THAT CERTAIN DEED, RECORDED MARCH 30, 2010 IN REEL K110 , IMAGE 0014" WHICH MAP WAS FILED FOR RECORD ON OCTOBER 31, 2012, IN BOOK 48 OF PARCEL MAPS, AT PAGES 121-122, INCLUSIVE, AND AS GRANTED IN THAT CERTAIN AGREEMENT ENTITLED "PARKING EASEMENT AGREEMENT", DATED FEBRUARY 19, 2013 AND EXECUTED BY NEW FLORIAN, LLC, LIMITED LIABILITY COMPANY AND BETWEEN THE CITY OF SAN FRANCISCO, A MUNICIPAL CORPORATION, RECORDED MARCH 8, 2013, AS INSTRUMENT NO. 2013-J616145, REEL K849, IMAGE 0227, OFFICIAL RECORDS, SAN FRANCISCO COUNTY RECORDS.

PUBLIC HEALTH CLINIC

For APN/Parcel ID(s): Lot 013, Block 4277

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF TWENTY-FIFTH STREET AND THE WESTERLY LINE OF UTAH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF UTAH STREET 98 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200 FEET TO THE EASTERLY LINE OF POTRERO AVENUE; THENCE AT A RIGHT ANGLE NORTHERLY ALONG SAID LINE OF POTRERO AVENUE 98 FEET TO THE SOUTHERLY LINE OF TWENTY-FIFTH STREET; THENCE AT A RIGHT ANGLE EASTERLY ALONG SAID LINE OF TWENTY-FIFTH STREET 200 FEET TO THE POINT OF BEGINNING. BEING A PORTION OF POTRERO NUEVO BLOCK NO. 83.

PARCEL TWO:

BEGINNING AT A POINT ON THE EASTERLY LINE OF POTRERO AVENUE, DISTANT THEREON 98 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF TWENTY-FIFTH STREET; RUNNING THENCE EASTERLY PARALLEL WITH THE SOUTHERLY LINE OF TWENTY-FIFTH STREET 200 FEET TO THE WESTERLY LINE OF UTAH STREET, AS SHOWN UPON THE MAP THEREOF RECORDED IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA ON JULY 10, 1926 IN BOOK "K" OF MAPS, AT PAGE 65; THENCE SOUTHERLY ALONG SAID LINE OF UTAH STREET 53 FEET AND 10 INCHES TO AN ANGLE POINT THEREIN; THENCE WESTERLY PARALLEL WITH THE SOUTHERLY LINE OF TWENTY-FIFTH STREET 200 FEET TO THE EASTERLY LINE OF POTRERO AVENUE; THENCE NORTHERLY ALONG SAID LINE OF POTRERO AVENUE 53 FEET AND 10 INCHES TO THE POINT OF BEGINNING.

HUMAN SERVICES CENTRAL OFFICE

For APN/Parcel ID(s): Lot 008, Block 3513; Lot 081, Block 3513; Lot 082, Block 3513

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Parcel 1:

Commencing at a point on the Westerly line of Otis Street, distant thereon 134 feet and 10-3/4 inches Northerly from the northerly line of Duboce Avenue; running thence Northerly and along said line of Otis Street 71 feet and 4-1/4 inches; thence at a right angle Westerly 137 feet and 5 inches; thence at a right angle northerly 85 feet and 9-7/8 inches; thence at an angle of 11° 10' Northwesterly 101 feet and 11-5/8 inches; thence at an angle of 32° 42' southwesterly 132 feet and 6 inches; thence at a right angle Southeasterly 272 feet and 7-1/2 inches to the point of commencement.

Being part of Mission Block No. 21.

APN: Lot 008, Block 3513

Parcel 2:

BEGINNING at a point on the Westerly line of Jessie Street distant thereon along said line of Jessie Street South 4 degrees 30 minutes East 185 feet from the Southerly line of Mc Coppin Street; running thence Southerly and along said line of Jessie Street 47.45 feet to the Northerly line of McNamara Claim; thence deflecting 111 degrees 18 minutes to the right from the preceding course and running North 73 degrees 12 minutes West 31.90 feet to a point in said line of said Claim where the same deflects South 9 degrees 30 minutes West; thence deflecting 97 degrees18 minutes to the left from the preceding course and running along the said line of said Claim South 9 degrees and 30 minutes West 132.50 feet to a point which bears North 80 degrees 30 minutes West and is distant 272 feet 7-1/2 inches from a point: on the Westerly line of Otis Street, which is distant thereon South 4 degrees 30 minutes East 415 feet 1-1/4 inches from the point of intersection of said Westerly line of Otis Street with the Southerly line of Mc Coppin Street; thence at a right angle Northwesterly 16 feet, more or less, to a point on a line parallel to and perpendicularly distant Easterly 77.50 feet from the Easterly line of Stevenson Street; running thence Northerly along said Parallel line 160 feet, more or less, to a point cm a line parallel to and perpendicularly distant Southerly 185 feet from the Southerly line of Mc Coppin Street; thence Easterly along said parallel line 77.50 feet to the point of beginning.

Being a portion of Mission Block No. 21

APN: Lot 081, Block 3513

Parcel 3:

BEGINNING at a point on the Easterly line of Jessie Street, distant thereon 206.25 feet Southerly of the Southerly line of Mc Coppin Street; thence Southerly along said easterly line of Jessie Street, a distance of 40 feet, more or less, to the Southerly terminal line of Jessie Street, a distance of 36 feet, more or less, to the Westerly line of Jessie Street; thence Northerly and along said Westerly line of Jessie Street, a distance of 29 feet, more or less, to a point 206-25 feet Southerly, of the Southerly line of Mc Coppin Street; thence Easterly parallel to said Southerly line of Mc Coppin Street, a distance of 35 feet to the Easterly line of Jessie Street and the point of beginning.

Being a portion of Jessie Street in Assessor's Block 3513.

APN: Lot 082, Block 3513

CORPORATE YARD

For APN/Parcel ID(s): Lot 001, Block 4341; Lot 003, Block 4341; Lot 001, Block 4342; Lot 001A, Block 4342; Lot 001A, Block 4343; Lot 001F, Block 4343;

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

Beginning at the point of intersection of the Southerly line of Army Street, as widened, and the Easterly line of Kansas Street; running thence Southerly and along said line of Kansas Street 274 feet; thence at a right angle Easterly 225 feet; thence at a right angle Northerly 274 feet to the Southerly line of Army Street; thence at a right angle Westerly along said line of Army Street 225 feet to the point of beginning.

Being a portion of Potrero Nuevo Block No. 150 and a part of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 approved July 31, 1918, as said street and block are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4341-001

PARCEL B:

Beginning at a point on the Westerly line of Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918, distant thereon 511 feet, 11 inches Southerly from the Southerly line of Army Street, as said street existed prior to the widening thereof; thence North 50° 30' West 58 feet 10 inches to a point; thence North 66° 52' West 81 feet, 10 inches to a point perpendicularly distant 433 feet Southerly from the Southerly line of said Army Street; thence Westerly and parallel with the Southerly line of Army Street 85 feet, 3 inches to the Easterly line of Kansas Street; thence Northerly and along said Easterly line of Kansas Street 150 feet; thence at a right angle Easterly 200 feet to the Westerly line of Rhode Island Street; thence at a right angle Southerly and along said Westerly line of said Rhode Island Street 228 feet, 11 inches to the point of beginning.

Being a portion of Potrero Nuevo Block 150 and a portion of Potrero Nuevo Block 150 1/2 and also a portion of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 approved on July 28, 1918 and also a portion of Marin Street as said streets and blocks are delineated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

EXCEPTING THEREFROM any portion thereof lying within the following described property:

Commencing at a point in the center line of De Haro Street, as said street existed prior to the closing thereof pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11, 411 dated December 21, 1914, produced, distant Southerly thereon 449 feet from the Southerly line of Army Street, as widened; and running thence Westerly, parallel with the Southerly line of Army Street, 420 feet; thence at a right angle Southerly 370.52 feet to the Northwesterly line of the right of way of the Western Pacific Railroad Company; thence Northeasterly along the Northwesterly line of said right of way, 495.94 feet, more or less, to the intersection of said center line of De Haro Street, produced Southerly; and thence Northerly along said center line, produced, 106.79 feet to the point of commencement.

FURTHER EXCEPTING THEREFROM any portion thereof lying within the following described property:

Commencing at a point distant Southerly 424 feet from the Southerly line of Army Street, as widened, measured along the center line of De Haro Street, as said street existed prior to the closing thereof pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11, 411 dated December 21, 1914, produced; and running thence Westerly, parallel with the Southerly line of Army Street, 420 feet; thence at a right angle Southerly 25 feet; thence at a right angle Easterly 420 feet to the center line of De Haro Street, produced; and thence at a right angle Northerly 25 feet to the point of commencement.

FURTHER EXCEPTING THEREFROM any portion thereof lying within the following described property:

BEGINNING at a point on the Southerly line of Marin Street, distant thereon 253 feet Westerly from the Easterly line of Kansas Street and perpendicularly distant 424 feet Southerly from the Army Street, as widened; and running thence South 2° 50' 10" East, at a right angle to said line of Marin Street, 92.74 feet; thence on a curve to the left, having a radius of 480 feet, the tangent to which at its point of beginning bears South 2° 50' 10" East, a distance of 105.73 feet; thence on a curve to the left, having a radius of 273 feet, the tangent to which at its point of beginning bears South 15° 27' 23" East, a distance of 430.85 feet to a point referred to as "Point No. 4" in the description of "Parcel 8" in that certain deed from Ocean Shore Railroad Company to Western Pacific Railroad Company, dated December 27, 1921 and recorded December 30, 1921, in Book 418 of Official Records, at Page 181; thence 55° 02' 15" East, along the Northerly boundary line of the right of way of the Western Pacific Railroad Company, a distance of 15.127 feet, more or less, to a point perpendicularly distant westerly 420 feet from the center line of De Haro Street, as said street existed prior to the closing thereof pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11, 411 approved January 2, 1915, produced Southerly; thence Northerly, parallel with the center line of De Haro Street, produced, a distance of 395.52 feet to a point perpendicularly distant southerly 424 feet from the Southerly line of Army Street, as widened, which point last referred to is also located on the Southerly line of Marin Street, produced Easterly; thence Westerly, along the Southerly line of Marin Street, 353 feet to the point of beginning.

APN: 4341-003 (portion)

PARCEL C:

That portion of former Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918, and beginning at the Southwest corner of said abandoned portion, said point being distant Southerly 424 feet from the Southerly line of Army Street (as widened); thence Easterly along said abandoned portion 25 feet; thence at a right angle Northerly 150 feet; thence at a right angle Westerly 25 feet; and thence at a right angle Southerly 150 feet to the point of beginning.

Being a portion of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 approved July 31, 1918 as said street is delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4341-003 (portion)

PARCEL D:

Beginning at a point formed by the intersection of the Southerly line of Army Street with the Westerly line of De Haro Street as said street existed prior to the vacation thereof pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 82,242 on June 28, 1950;; running thence Westerly along said Southerly line of Army Street 200 feet to the Easterly line of Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918; thence at a right angle Southerly and along said Easterly line of Rhode Island Street 433 feet; thence at a right angle Easterly 200 feet to the

Westerly line of De Haro Street; thence at a right angle Northerly and along said Westerly line of De Haro Street 433 feet to the Southerly line of Army Street and the point of beginning.

EXCEPTING THEREFROM the Northerly 9 feet as added to the Southerly side of Army Street by Resolution No. 16333 of the Board of Supervisors of the City and County of San Francisco, approved December 9, 1918. Being a portion of Potrero Nuevo Block 152 and a portion of Marin Street as said street and block are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4342-001

PARCEL E:

That portion of former Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918, and beginning at the Southeast corner of said abandoned portion, said point being distant Southerly 424 feet from the Southerly line of Army Street (as widened); thence Westerly along said abandoned portion of said Rhode Island Street 55 feet; thence at a right angle Northerly 424 feet to the Southerly line of Army Street; thence at a right angle easterly along the southerly line of said Army Street Westerly 55 feet to the easterly line of said Rhode Island Street; and thence at a right angle Southerly along the easterly line of said Rhode Island Street 424 feet to the point of beginning.

Being a portion of a portion of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 on July 31, 1918 and also a portion of Marin Street as said streets and blocks are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4342-001A

PARCEL F:

Beginning at a point on the Southerly line of Cesar Chavez Street (formerly Army Street and formerly Colusa Street), as widened, distant thereon 65.00 feet Easterly from the Easterly line of former De Haro Street as said street existed prior to the vacation thereof per Resolution No. 9969, dated June 12, 1950, by the Board of
Supervisors of the City and County of San Francisco, a municipal corporation, said point of beginning also being the Northeast corner of that certain parcel described in Deed from Pacific Gas and Electric Company to the City and County of San Francisco recorded May 10, 1950, in Book 5441 of Official Records, Page 515; thence along said line of Cesar Chavez Street North 87° 09' 50" East 595.00 feet to the Northeast corner of that certain parcel described in Deed from Ocean Shore Railroad Company to Pacific Gas and Electric Company recorded May 19, 1922 in Book 560 of Official Records, Page 217, City and County of San Francisco; thence along the Easterly line and along a portion of the Southeasterly line of said 560 O.R. 217 parcel, South 02° 50' 10" East 116.23 feet to the Southeast corner thereof and South 55° 02' 15" West 702.58 feet to the Southeast corner of said 5441 O.R. 515 parcel, said corner being on a line parallel with and distant 65.00 feet Easterly, measured at right angles to said Easterly line of former De Haro Street produced Southerly; thence along said parallel line and said Easterly line of 5441 O.R. 515, North 02° 50' 10" West 489.86 feet to the point of beginning.

Being a portion of Potrero Nuevo Blocks 185, 186, 188 and 219 as said blocks are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

Also being a portion of Carolina Street and Wisconsin Street, both closed per Resolution No. 11411, dated December 21, 1914, and a portion of the former alignment of Evans Street, closed per Resolution

No. 20575, dated December 11, 1922, and Resolution No. 15939, dated July 29, 1918, a portion of Evans Street not closed per the same Resolution No. 15939, as said streets are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 76 and 79 and a portion of Marin Street as said Street is shown on that map entitled "A Map of the Salt Marsh and Tide Lands and Lands Lying Under Water of Second Street and Situate in the City and County of San Francisco," a copy of said map filed in Map Book "W", Pages 46 and 47, in the Office of the Recorder, City and County of San Francisco.

APN: 4343-001A

PARCEL G:

Beginning at the point of intersection of the Southerly line of Army Street with the Easterly line of De Haro Street as said street existed prior to the vacation thereof by the Board of Supervisors Resolution No. 9969 dated June 28, 1950, and running thence Southerly along said line of De Haro Street 374.30 feet to the Southeasterly terminus thereof as established by the closing and abandonment of a portion of De Haro Street by Resolution No. 11411 of the Board of Supervisors of the City and County of San Francisco, December 21, 1914; thence deflecting 58° 08' 58" to the right, and running Southwesterly along said terminus 47.090 feet to the center line of De Haro Street; thence deflecting 58° 08' 58" to the left and running Southerly along said center line produced Southerly 156.39 feet to the Northwesterly boundary line of the property of the Western Pacific Railroad Company; thence deflecting to the left and running Northeasterly along said boundary line 124 feet, more or less, to a point in a line parallel with and distant 65 feet measured at right angles Easterly from the Easterly line of De Haro Street produced Southerly; thence deflecting to the left and running Northerly along said parallel line 489.85 feet to the Southerly line of Army Street; thence at a right angle Westerly along said line of Army Street 65 feet to the point of beginning.

EXCEPTING THEREFROM the Northerly 9 feet as added to the Southerly side of Army Street by Resolution No. 19135 of the Board of Supervisors of the City and County of San Francisco, approved August 8, 1921.

Being a portion of Potrero Nuevo Block 185 and a portion of De Haro Street as closed pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11,411 dated December 21, 1914 and also a portion of De Haro Street as vacated pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 82,242 on June 28, 1950 and also a portion of Marin Street as said streets and blocks are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

APN: 4343-001F (portion)

PARCEL H:

Beginning at a point on the Westerly line of De Haro Street as said street existed prior to the vacation thereof by the Board of Supervisors Resolution No. 9969 dated June 28, 1950, distant thereon 424 feet Southerly from the Southerly line of Army Street (as widened); running thence Easterly parallel with the said Southerly line of Army Street 40 feet; thence at a right angle Northerly 24.85 feet to the Southeasterly terminus of De Haro Street, as established by the closing and abandonment of a portion thereof by Resolution No. 11,411 of the Board of Supervisors of the City and County of San Francisco dated December 21, 1914; thence deflecting 121° 51' 02" to the left and running Southwesterly along said terminus of De Haro Street 47.090 feet to the Westerly line of De Haro Street and the point of beginning. Being a portion of De Haro Street as closed pursuant to Board of Supervisors Resolution No. 11411 dated December 21, 1914 and as said street is delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco,

March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

APN: 4343-001F (portion)

PARCEL I:

That portion of De Haro Street vacated by Resolution No. 82,242 of the Board of Supervisors of the City and County of San Francisco June 28, 1950 and lying between the Southerly line of Army Street (as widened) and the Southeasterly terminus of De Haro Street, as established by the closing and abandonment of a portion thereof by Resolution No. 11,411 of the Board of Supervisors of the City and County of San Francisco dated December 21, 1914.

Being a portion of De Haro Street as closed pursuant to Board of Supervisors Resolution No. 11411 dated December 21, 1914 and as said street is delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

APN: 4343-001F (portion)

FIRE COLLEGE

For APN/Parcel ID(s): Lot 059, Block 3594

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 60 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SHOTWELL STREET, 35 FEET; THENCE AT A RIGHT ANGLE EASTERLY 50 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 35 FEET; AND THENCE AT A RIGHT ANGLE WESTERLY 50 FEET TO THE EASTERLY LINE OF SHOTWELL STREET AND THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 2:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 19TH STREET WITH THE EASTERLY LINE OF SHOTWELL STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF 19TH STREET, 20 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 60 FEET; THENCE AT A RIGHT ANGLE WESTERLY 20 FEET TO THE EASTERLY LINE OF SHOTWELL STREET; THENCE AT A RIGHT ANGLE NORTHERLY, ALONG THE LAST NAMED LINE, 60 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 3:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 20 FEET EASTERLY FROM THE EASTERLY LINE OF SHOTWELL STREET; RUNNING THENCE EASTERLY AND ALONG SAID LINE OF 19TH STREET, 30 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 60 FEET; THENCE AT A RIGHT ANGLE WESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 60 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 4:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 95 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 20 FEET; THENCE AT A RIGHT ANGLE EASTERLY 100 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 20 FEET; AND THENCE AT A RIGHT ANGLE WESTERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 5:

COMMENCING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 120 FEET WESTERLY FROM THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE WESTERLY AND ALONG SAID LINE OF 19TH STREET, 50 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 95 FEET; THENCE AT A RIGHT ANGLE EASTERLY 50 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 95 FEET TO THE POINT OF COMMENCEMENT.

BEING PART OF MISSION BLOCK NO. 57.

PARCEL 6:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 95 FEET WESTERLY FROM THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF 19TH STREET, 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 95 FEET;THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 95 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 7:

COMMENCING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 19TH STREET AND THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE SOUTHERLY AND ALONG SAID LINE OF FOLSOM STREET, 65 FEET; THENCE AT A RIGHT ANGLE WESTERLY 95 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 65 FEET TO THE SOUTHERLY LINE OF 19TH STREET; THENCE AT A RIGHT ANGLE EASTERLY,ALONG SAID LINE OF 19TH STREET, 95 FEET TO THE POINT OF COMMENCEMENT.

BEING PART OF MISSION BLOCK NO. 57.

PARCEL 8:

COMMENCING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 65 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG THE WESTERLY LINE OF FOLSOM STREET, 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 95 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 95 FEET TO THE WESTERLY LINE OF FOLSOM STREET AND THE POINT OF COMMENCEMENT.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 9:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 170 FEET WESTERLY FROM THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE WESTERLY AND ALONG SAID LINE OF 19TH STREET, 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 95 FEET; THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 95 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 10:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 115 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 20 FEET; THENCE AT A RIGHT ANGLE EASTERLY 100 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 20 FEET; THENCE AT A RIGHT ANGLE WESTERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 11:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 135 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 20 FEET; THENCE AT A RIGHT ANGLE EASTERLY 100 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 20 FEET; THENCE AT A RIGHT ANGLE WESTERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 12:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 155 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE EASTERLY LINE OF SHOTWELL STREET AND THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 13:

BEGINNING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 95 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF FOLSOM STREET, 90 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 22 FEET, 6 INCHES; THENCE AT ARIGHT ANGLE NORTHERLY 60 FEET; THENCE AT A RIGHT ANGLE EASTERLY 145 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 14:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 185 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; AND THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 15:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 215 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 31 FEET, 9-1/4 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 31 FEET, 9-1/4 INCHES; AND THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 16:

COMMENCING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 215 FEET NORTHERLY FROM THE NORTHERLY LINE OF TWENTIETH STREET; RUNNING

THENCE NORTHERLY ALONG THE EASTERLY LINE OF SHOTWELL STREET, 58 FEET, 2-3/4 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES;THENCE AT A RIGHT ANGLE SOUTHERLY 58 FEET, 2-3/4 INCHES; AND THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE EASTERLY LINE OF SHOTWELL STREET AND THE POINT OF COMMENCEMENT.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 17:

COMMENCING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 185 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY AND ALONG SAID LINE OF FOLSOM STREET, 90 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES; THENCE AT ARIGHT ANGLE NORTHERLY 90 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES TO THE POINT OF COMMENCEMENT.

BEING PORTION OF MISSION BLOCK NO. 57.

PARCEL 18:

COMMENCING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 215 FEET NORTHERLY FROM THE NORTHERLY LINE OF 20TH STREET; RUNNING THENCE NORTHERLY ALONG SAID LINE OF FOLSOM STREET, 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES TO THE POINT OF COMMENCEMENT.

BEING PART OF MISSION BLOCK 57.

EXHIBIT B

REMOVED PROPERTY LEGAL DESCRIPTION

POLICE ACADEMY

For APN/Parcel ID(s): Lot 005, Block 7521

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

ALL OF LOT 5, IN BLOCK 7521, AS PER "MAP OF UNIT TWO OF DIAMOND HEIGHTS, SAN FRANCISCO, CALIFORNIA," RECORDED MAY 10, 1962 IN BOOK "T" OF MAPS, AT PAGES 38 TO 42, INCLUSIVE, IN THE OFFICE OF THE COUNTY RECORDER OF SAID CITY AND COUNTY.

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

JONES HALL, A PROFESSIONAL LAW CORPORATION
475 Sansome Street, Suite 1700
San Francisco, California 94111
ATTENTION: Juan M. Galvan, Esq.

SECOND AMENDMENT TO SUBLEASE

935 Folsom Street (Lot 313, Block 3753)

2789 25th Street (Lot 013, Block 4277)

166-170 Otis (Lot 008, Block 3513; Lot 081, Block 3513; Lot 082, Block 3513)

2323 Cesar Chavez (Lot 001, Block 4341; Lot 003, Block 4341; Lot 001, Block 4342; Lot 001A, Block 4342; Lot 001A, Block 4343; Lot 001F, Block 4343)

350 Amber Drive (Lot 005, Block 7521)

2310 Folsom Drive (Lot 059, Block 3594)

NO DOCUMENTARY TRANSFER TAX DUE. This Second Amendment to Sublease is recorded for the benefit of the City and County of San Francisco and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

SECOND AMENDMENT TO SUBLEASE

Dated as of [Month] 1, 2023

between

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
in its capacity as Trustee,
as sublessor

and the

CITY AND COUNTY OF SAN FRANCISCO,
as sublessee

SECOND AMENDMENT TO SUBLEASE

THIS SECOND AMENDMENT TO SUBLEASE (the "Second Amendment"), dated as of [Month] 1, 2023 is entered into between **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, solely in its capacity as Trustee (the "**Trustee**"), as successor to U.S. Bank National Association, under the Trust Agreement, dated as of June 1, 2010 (as amended, supplemented or modified from time to time, the "Trust Agreement") between the Trustee, as sublessor, and the **CITY AND COUNTY OF SAN FRANCISCO** (the "**City**"), a charter city and county duly organized and existing under the laws and Constitution of the State of California, as sublessee.

***B A C K G R O U N D**:*

***WHEREAS**,* in connection with the execution and delivery of the City's Series 1 Certificates, Series 1-T Certificates, Series 2 Certificates and Series 2-T Certificates (collectively, the "Commercial Paper Certificates," as more fully defined in the Trust Agreement), the City and the Trustee entered into a Site Lease dated as of June 1, 2010, recorded by the San Francisco Assessor-Recorder on June 9, 2010 as document number 2010-I979428, as amended by a First Amendment to Site Lease dated as of May 1, 2016, recorded by the San Francisco Assessor-Recorder on May 31, 2016 as document number 2016-K267869-00 (as so amended, the "Existing Site Lease"), pursuant which the Property (as defined in the Existing Site Lease) is leased by the City, as lessor, to the Trustee, as lessee;

***WHEREAS**,* the Existing Site Lease is being amended by a Second Amendment to Site Lease dated as of [Month] 1, 2023, between the City, as lessor, and U.S. Bank Trust Company, National Association, in its capacity as Trustee, as lessee, and being recorded concurrently herewith;

***WHEREAS**,* the Trustee has subleased the Property to the City pursuant to a Sublease, dated as of June 1, 2010, between the Trustee and the City, recorded by the San Francisco Assessor-Recorder on June 9, 2010 as document number 2010-I979428 as amended by a First Amendment to Sublease dated as of May 1, 2016, recorded by the San Francisco Assessor-Recorder on May 31, 2016, as document number 2016-K267870-00 (as so amended, the "Existing Sublease" and, as amended by this Second Amendment, the "Sublease");

WHEREAS, the Commercial Paper Certificates have been delivered from time to time pursuant to the Trust Agreement;

WHEREAS, concurrently herewith, the City and the Trustee will enter into a Second Supplement to Trust Agreement dated as of [Month] 1, 2023 (the "Second Supplement to Trust Agreement") in order to reflect the delivery by Wells Fargo Bank, National Association of a line of credit as an Alternate Credit Facility (as defined in the Trust Agreement) under the Trust Agreement to provide liquidity support to the Series 2 Certificates and Series 2-T Certificates (as such terms are defined in the Trust Agreement) and to replace the providers of the previous Credit Facilities (as defined in the Trust Agreement);

WHEREAS, the City and the Trustee desire to amend the Existing Sublease to (i) pursuant to Section 9.6 thereof and Section 7.02 of the Trust Agreement, reflect the delivery by Wells Fargo Bank, National Association of said line of credit, and (ii) pursuant to Sections 3.8 and 9.6 thereof and Section 7.02 of the Trust Agreement, release from the leasehold under the

Sublease certain property known as the Police Academy (the "Removed Property"), as more particularly described in Exhibit C hereto; and

WHEREAS, the City and the Trustee have duly authorized the execution and delivery of this Second Amendment;

NOW, THEREFORE*,* in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

Section 1. Release of Property. The City and the Trustee hereby agree that the Removed Property shall be removed from the Property leased to the Trustee by the City pursuant to the Sublease.

Section 2. Notice for Banks.

(a) Section 9.2 of the Existing Sublease is hereby amended by replacing the notice address for JPMorgan Chase Bank, National Association and U.S. Bank National Association therein with the following address for Wells Fargo Bank, National Association:

If to the Banks: Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking
Telephone: (628) 260-3382
Email: dale.r.barton@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Kavita Singh, Relationship Associate
Telephone: (415) 222-3394
Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

or to such other address or addresses as the City or Wells Fargo Bank, National Association has designated to the others by notice given in accordance with the provisions of this Section 9.2.

(b) Exhibits C-1, C-2 and C-3 of the Existing Sublease are hereby amended by replacing the mailing address for State Street Bank and Trust Company and JPMorgan Chase Bank, National Association, as applicable, with the following address:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking

Section 3. Execution in Counterparts. This Second Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 4. Existing Sublease. Except as amended hereby, the Existing Sublease will remain in full force and effect. Reference to this Second Amendment need not be made in any note, document, agreement, letter, certificate, the Existing Sublease or any communication issued or made subsequent to or with respect to the Existing Sublease, it being hereby agreed that any reference to the Existing Sublease shall be sufficient to refer to the Existing Sublease , as hereby amended.

Section 5. Effective Date. This Second Amendment shall be effective, and shall become binding against the City and the Trustee, as of the date hereof.

Section 6. Real Property. The real property encumbered by the Sublease, as amended by the removal of the Removed Property, is set forth in Exhibit A hereto, which Exhibit A shall replace Exhibit A to the Existing Sublease.

Section 7. Base Rental Payment Schedule. The Base Rental Payment Schedule, as amended, is set forth in Exhibit B hereto, which Exhibit B shall replace Exhibit B to the Existing Sublease.

Section 8. Severability. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

[Signature Page Follows on the Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Sublease as of the date first above written.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee and Sublessor

By:_____
Authorized Officer

CITY AND COUNTY OF SAN FRANCISCO, as Sublessee

By:_____
Anna Van Degna
Director of the Office of Public Finance

APPROVED AS TO FORM:

CITY ATTORNEY

By:_____
Mark D. Blake
Deputy City Attorney

The undersigned hereby consent to the execution and delivery of this Second Amendment to Sublease effective the date first above written.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By:_____
Authorized Officer

EXHIBIT A

LEGAL DESCRIPTION

FIRE STATION 1

For APN/Parcel ID(s): Lot 313, Block 3753

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL A, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "PARCEL MAP 6314, BEING A TWO LOT SUBDIVISION OF THAT REAL PROPERTY DESCRIBED IN THAT CERTAIN DEED RECORDED MARCH 30, 2010 IN REEL K110, IMAGE 0014", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA ON OCTOBER 31, 2012 IN BOOK 48 OF PARCEL MAPS, AT PAGES 121-122, INCLUSIVE.

PARCEL TWO:

A NON-EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL ONE ABOVE, FOR PARKING, OVER, ALONG AND THROUGH A PORTION OF PARCEL B, AS SAID PARCEL IS SHOWN ON THAT CERTAIN MAP ENTITLED, "PARCEL MAP 6314, BEING A TWO LOT SUBDIVISION OF THAT REAL PROPERTY DESCRIBED IN THAT CERTAIN DEED, RECORDED MARCH 30, 2010 IN REEL K110 , IMAGE 0014" WHICH MAP WAS FILED FOR RECORD ON OCTOBER 31, 2012, IN BOOK 48 OF PARCEL MAPS, AT PAGES 121-122, INCLUSIVE, AND AS GRANTED IN THAT CERTAIN AGREEMENT ENTITLED "PARKING EASEMENT AGREEMENT", DATED FEBRUARY 19, 2013 AND EXECUTED BY NEW FLORIAN, LLC, LIMITED LIABILITY COMPANY AND BETWEEN THE CITY OF SAN FRANCISCO, A MUNICIPAL CORPORATION, RECORDED MARCH 8, 2013, AS INSTRUMENT NO. 2013-J616145, REEL K849, IMAGE 0227, OFFICIAL RECORDS, SAN FRANCISCO COUNTY RECORDS.

PUBLIC HEALTH CLINIC

For APN/Parcel ID(s): Lot 013, Block 4277

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF TWENTY-FIFTH STREET AND THE WESTERLY LINE OF UTAH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF UTAH STREET 98 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200 FEET TO THE EASTERLY LINE OF POTRERO AVENUE; THENCE AT A RIGHT ANGLE NORTHERLY ALONG SAID LINE OF POTRERO AVENUE 98 FEET TO THE SOUTHERLY LINE OF TWENTY-FIFTH STREET; THENCE AT A RIGHT ANGLE EASTERLY ALONG SAID LINE OF TWENTY-FIFTH STREET 200 FEET TO THE POINT OF BEGINNING. BEING A PORTION OF POTRERO NUEVO BLOCK NO. 83.

PARCEL TWO:

BEGINNING AT A POINT ON THE EASTERLY LINE OF POTRERO AVENUE, DISTANT THEREON 98 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF TWENTY-FIFTH STREET; RUNNING THENCE EASTERLY PARALLEL WITH THE SOUTHERLY LINE OF TWENTY-FIFTH STREET 200 FEET TO THE WESTERLY LINE OF UTAH STREET, AS SHOWN UPON THE MAP THEREOF RECORDED IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA ON JULY 10, 1926 IN BOOK "K" OF MAPS, AT PAGE 65; THENCE SOUTHERLY ALONG SAID LINE OF UTAH STREET 53 FEET AND 10 INCHES TO AN ANGLE POINT THEREIN; THENCE WESTERLY PARALLEL WITH THE SOUTHERLY LINE OF TWENTY-FIFTH STREET 200 FEET TO THE EASTERLY LINE OF POTRERO AVENUE; THENCE NORTHERLY ALONG SAID LINE OF POTRERO AVENUE 53 FEET AND 10 INCHES TO THE POINT OF BEGINNING.

HUMAN SERVICES CENTRAL OFFICE

For APN/Parcel ID(s): Lot 008, Block 3513; Lot 081, Block 3513; Lot 082, Block 3513

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Parcel 1:

Commencing at a point on the Westerly line of Otis Street, distant thereon 134 feet and 10-3/4 inches Northerly from the northerly line of Duboce Avenue; running thence Northerly and along said line of Otis Street 71 feet and 4-1/4 inches; thence at a right angle Westerly 137 feet and 5 inches; thence at a right angle northerly 85 feet and 9-7/8 inches; thence at an angle of 11° 10' Northwesterly 101 feet and 11-5/8 inches; thence at an angle of 32° 42' southwesterly 132 feet and 6 inches; thence at a right angle Southeasterly 272 feet and 7-1/2 inches to the point of commencement.

Being part of Mission Block No. 21.

APN: Lot 008, Block 3513

Parcel 2:

BEGINNING at a point on the Westerly line of Jessie Street distant thereon along said line of Jessie Street South 4 degrees 30 minutes East 185 feet from the Southerly line of Mc Coppin Street; running thence Southerly and along said line of Jessie Street 47.45 feet to the Northerly line of McNamara Claim; thence deflecting 111 degrees 18 minutes to the right from the preceding course and running North 73 degrees 12 minutes West 31.90 feet to a point in said line of said Claim where the same deflects South 9 degrees 30 minutes West; thence deflecting 97 degrees18 minutes to the left from the preceding course and running along the said line of said Claim South 9 degrees and 30 minutes West 132.50 feet to a point which bears North 80 degrees 30 minutes West and is distant 272 feet 7-1/2 inches from a point: on the Westerly line of Otis Street, which is distant thereon South 4 degrees 30 minutes East 415 feet 1-1/4 inches from the point of intersection of said Westerly line of Otis Street with the Southerly line of Mc Coppin Street; thence at a right angle Northwesterly 16 feet, more or less, to a point on a line parallel to and perpendicularly distant Easterly 77.50 feet from the Easterly line of Stevenson Street; running thence Northerly along said Parallel line 160 feet, more or less, to a point cm a line parallel to and perpendicularly distant Southerly 185 feet from the Southerly line of Mc Coppin Street; thence Easterly along said parallel line 77.50 feet to the point of beginning.

Being a portion of Mission Block No. 21

APN: Lot 081, Block 3513

Parcel 3:

BEGINNING at a point on the Easterly line of Jessie Street, distant thereon 206.25 feet Southerly of the Southerly line of Mc Coppin Street; thence Southerly along said easterly line of Jessie Street, a distance of 40 feet, more or less, to the Southerly terminal line of Jessie Street, a distance of 36 feet, more or less, to the Westerly line of Jessie Street; thence Northerly and along said Westerly line of Jessie Street, a distance of 29 feet, more or less, to a point 206-25 feet Southerly, of the Southerly line of Mc Coppin Street; thence Easterly parallel to said Southerly line of Mc Coppin Street, a distance of 35 feet to the Easterly line of Jessie Street and the point of beginning.

Being a portion of Jessie Street in Assessor's Block 3513.

APN: Lot 082, Block 3513

CORPORATE YARD

For APN/Parcel ID(s): Lot 001, Block 4341; Lot 003, Block 4341; Lot 001, Block 4342; Lot 001A, Block 4342; Lot 001A, Block 4343; Lot 001F, Block 4343;

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

Beginning at the point of intersection of the Southerly line of Army Street, as widened, and the Easterly line of Kansas Street; running thence Southerly and along said line of Kansas Street 274 feet; thence at a right angle Easterly 225 feet; thence at a right angle Northerly 274 feet to the Southerly line of Army Street; thence at a right angle Westerly along said line of Army Street 225 feet to the point of beginning.

Being a portion of Potrero Nuevo Block No. 150 and a part of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 approved July 31, 1918, as said street and block are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4341-001

PARCEL B:

Beginning at a point on the Westerly line of Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918, distant thereon 511 feet, 11 inches Southerly from the Southerly line of Army Street, as said street existed prior to the widening thereof; thence North 50° 30' West 58 feet 10 inches to a point; thence North 66° 52' West 81 feet, 10 inches to a point perpendicularly distant 433 feet Southerly from the Southerly line of said Army Street; thence Westerly and parallel with the Southerly line of Army Street 85 feet, 3 inches to the Easterly line of Kansas Street; thence Northerly and along said Easterly line of Kansas Street 150 feet; thence at a right angle Easterly 200 feet to the Westerly line of Rhode Island Street; thence at a right angle Southerly and along said Westerly line of said Rhode Island Street 228 feet, 11 inches to the point of beginning.

Being a portion of Potrero Nuevo Block 150 and a portion of Potrero Nuevo Block 150 1/2 and also a portion of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 approved on July 28, 1918 and also a portion of Marin Street as said streets and blocks are delineated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

EXCEPTING THEREFROM any portion thereof lying within the following described property:

Commencing at a point in the center line of De Haro Street, as said street existed prior to the closing thereof pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11, 411 dated December 21, 1914, produced, distant Southerly thereon 449 feet from the Southerly line of Army Street, as widened; and running thence Westerly, parallel with the Southerly line of Army Street, 420 feet; thence at a right angle Southerly 370.52 feet to the Northwesterly line of the right of way of the Western Pacific Railroad Company; thence Northeasterly along the Northwesterly line of said right of way, 495.94 feet, more or less, to the intersection of said center line of De Haro Street, produced Southerly; and thence Northerly along said center line, produced, 106.79 feet to the point of commencement.

FURTHER EXCEPTING THEREFROM any portion thereof lying within the following described property:

Commencing at a point distant Southerly 424 feet from the Southerly line of Army Street, as widened, measured along the center line of De Haro Street, as said street existed prior to the closing thereof

pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11, 411 dated December 21, 1914, produced; and running thence Westerly, parallel with the Southerly line of Army Street, 420 feet; thence at a right angle Southerly 25 feet; thence at a right angle Easterly 420 feet to the center line of De Haro Street, produced; and thence at a right angle Northerly 25 feet to the point of commencement.

FURTHER EXCEPTING THEREFROM any portion thereof lying within the following described property:

BEGINNING at a point on the Southerly line of Marin Street, distant thereon 253 feet Westerly from the Easterly line of Kansas Street and perpendicularly distant 424 feet Southerly from the Army Street, as widened; and running thence South 2° 50' 10" East, at a right angle to said line of Marin Street, 92.74 feet; thence on a curve to the left, having a radius of 480 feet, the tangent to which at its point of beginning bears South 2° 50' 10" East, a distance of 105.73 feet; thence on a curve to the left, having a radius of 273 feet, the tangent to which at its point of beginning bears South 15° 27' 23" East, a distance of 430.85 feet to a point referred to as "Point No. 4" in the description of "Parcel 8" in that certain deed from Ocean Shore Railroad Company to Western Pacific Railroad Company, dated December 27, 1921 and recorded December 30, 1921, in Book 418 of Official Records, at Page 181; thence 55° 02' 15" East, along the Northerly boundary line of the right of way of the Western Pacific Railroad Company, a distance of 15.127 feet, more or less, to a point perpendicularly distant westerly 420 feet from the center line of De Haro Street, as said street existed prior to the closing thereof pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11, 411 approved January 2, 1915, produced Southerly; thence Northerly, parallel with the center line of De Haro Street, produced, a distance of 395.52 feet to a point perpendicularly distant southerly 424 feet from the Southerly line of Army Street, as widened, which point last referred to is also located on the Southerly line of Marin Street, produced Easterly; thence Westerly, along the Southerly line of Marin Street, 353 feet to the point of beginning.

APN: 4341-003 (portion)

PARCEL C:

That portion of former Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918, and beginning at the Southwest corner of said abandoned portion, said point being distant Southerly 424 feet from the Southerly line of Army Street (as widened); thence Easterly along said abandoned portion 25 feet; thence at a right angle Northerly 150 feet; thence at a right angle Westerly 25 feet; and thence at a right angle Southerly 150 feet to the point of beginning.

Being a portion of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 approved July 31, 1918 as said street is delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4341-003 (portion)

PARCEL D:

Beginning at a point formed by the intersection of the Southerly line of Army Street with the Westerly line of De Haro Street as said street existed prior to the vacation thereof pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 82,242 on June 28, 1950;; running thence Westerly along said Southerly line of Army Street 200 feet to the Easterly line of Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918; thence at a right angle Southerly and along said Easterly line of Rhode Island Street 433 feet; thence at a right angle Easterly 200 feet to the Westerly line of De Haro Street; thence at a right angle Northerly and along said Westerly line of De Haro Street 433 feet to the Southerly line of Army Street and the point of beginning.

EXCEPTING THEREFROM the Northerly 9 feet as added to the Southerly side of Army Street by Resolution No. 16333 of the Board of Supervisors of the City and County of San Francisco, approved December 9, 1918. Being a portion of Potrero Nuevo Block 152 and a portion of Marin Street as said street and block are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4342-001

PARCEL E:

That portion of former Rhode Island Street, as said Street existed prior to the abandonment thereof by Resolution No. 15939 of the Board of Supervisors of the City and County of San Francisco, approved July 28, 1918, and beginning at the Southeast corner of said abandoned portion, said point being distant Southerly 424 feet from the Southerly line of Army Street (as widened); thence Westerly along said abandoned portion of said Rhode Island Street 55 feet; thence at a right angle Northerly 424 feet to the Southerly line of Army Street; thence at a right angle easterly along the southerly line of said Army Street Westerly 55 feet to the easterly line of said Rhode Island Street; and thence at a right angle Southerly along the easterly line of said Rhode Island Street 424 feet to the point of beginning.

Being a portion of a portion of Rhode Island Street as closed pursuant to Board of Supervisors Resolution No. 15939 on July 31, 1918 and also a portion of Marin Street as said streets and blocks are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps at pages 78 and 79.

APN: 4342-001A

PARCEL F:

Beginning at a point on the Southerly line of Cesar Chavez Street (formerly Army Street and formerly Colusa Street), as widened, distant thereon 65.00 feet Easterly from the Easterly line of former De Haro Street as said street existed prior to the vacation thereof per Resolution No. 9969, dated June 12, 1950, by the Board of
Supervisors of the City and County of San Francisco, a municipal corporation, said point of beginning also being the Northeast corner of that certain parcel described in Deed from Pacific Gas and Electric Company to the City and County of San Francisco recorded May 10, 1950, in Book 5441 of Official Records, Page 515; thence along said line of Cesar Chavez Street North 87° 09' 50" East 595.00 feet to the Northeast corner of that certain parcel described in Deed from Ocean Shore Railroad Company to Pacific Gas and Electric Company recorded May 19, 1922 in Book 560 of Official Records, Page 217, City and County of San Francisco; thence along the Easterly line and along a portion of the Southeasterly line of said 560 O.R. 217 parcel, South 02° 50' 10" East 116.23 feet to the Southeast corner thereof and South 55° 02' 15" West 702.58 feet to the Southeast corner of said 5441 O.R. 515 parcel, said corner being on a line parallel with and distant 65.00 feet Easterly, measured at right angles to said Easterly line of former De Haro Street produced Southerly; thence along said parallel line and said Easterly line of 5441 O.R. 515, North 02° 50' 10" West 489.86 feet to the point of beginning.

Being a portion of Potrero Nuevo Blocks 185, 186, 188 and 219 as said blocks are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

Also being a portion of Carolina Street and Wisconsin Street, both closed per Resolution No. 11411, dated December 21, 1914, and a portion of the former alignment of Evans Street, closed per Resolution No. 20575, dated December 11, 1922, and Resolution No. 15939, dated July 29, 1918, a portion of Evans Street not closed per the same Resolution No. 15939, as said streets are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 76 and 79 and a portion of Marin Street as said Street is shown on that map entitled "A Map of the Salt Marsh and Tide Lands and

Lands Lying Under Water of Second Street and Situate in the City and County of San Francisco," a copy of said map filed in Map Book "W", Pages 46 and 47, in the Office of the Recorder, City and County of San Francisco.

APN: 4343-001A

PARCEL G:

Beginning at the point of intersection of the Southerly line of Army Street with the Easterly line of De Haro Street as said street existed prior to the vacation thereof by the Board of Supervisors Resolution No. 9969 dated June 28, 1950, and running thence Southerly along said line of De Haro Street 374.30 feet to the Southeasterly terminus thereof as established by the closing and abandonment of a portion of De Haro Street by Resolution No. 11411 of the Board of Supervisors of the City and County of San Francisco, December 21, 1914; thence deflecting 58° 08' 58" to the right, and running Southwesterly along said terminus 47.090 feet to the center line of De Haro Street; thence deflecting 58° 08' 58" to the left and running Southerly along said center line produced Southerly 156.39 feet to the Northwesterly boundary line of the property of the Western Pacific Railroad Company; thence deflecting to the left and running Northeasterly along said boundary line 124 feet, more or less, to a point in a line parallel with and distant 65 feet measured at right angles Easterly from the Easterly line of De Haro Street produced Southerly; thence deflecting to the left and running Northerly along said parallel line 489.85 feet to the Southerly line of Army Street; thence at a right angle Westerly along said line of Army Street 65 feet to the point of beginning.

EXCEPTING THEREFROM the Northerly 9 feet as added to the Southerly side of Army Street by Resolution No. 19135 of the Board of Supervisors of the City and County of San Francisco, approved August 8, 1921.

Being a portion of Potrero Nuevo Block 185 and a portion of De Haro Street as closed pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 11,411 dated December 21, 1914 and also a portion of De Haro Street as vacated pursuant to Board of Supervisors of the City and County of San Francisco Resolution No. 82,242 on June 28, 1950 and also a portion of Marin Street as said streets and blocks are delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

APN: 4343-001F (portion)

PARCEL H:

Beginning at a point on the Westerly line of De Haro Street as said street existed prior to the vacation thereof by the Board of Supervisors Resolution No. 9969 dated June 28, 1950, distant thereon 424 feet Southerly from the Southerly line of Army Street (as widened); running thence Easterly parallel with the said Southerly line of Army Street 40 feet; thence at a right angle Northerly 24.85 feet to the Southeasterly terminus of De Haro Street, as established by the closing and abandonment of a portion thereof by Resolution No. 11,411 of the Board of Supervisors of the City and County of San Francisco dated December 21, 1914; thence deflecting 121° 51' 02" to the left and running Southwesterly along said terminus of De Haro Street 47.090 feet to the Westerly line of De Haro Street and the point of beginning. Being a portion of De Haro Street as closed pursuant to Board of Supervisors Resolution No. 11411 dated December 21, 1914 and as said street is delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

APN: 4343-001F (portion)

PARCEL I:

That portion of De Haro Street vacated by Resolution No. 82,242 of the Board of Supervisors of the City and County of San Francisco June 28, 1950 and lying between the Southerly line of Army Street (as

widened) and the Southeasterly terminus of De Haro Street, as established by the closing and abandonment of a portion thereof by Resolution No. 11,411 of the Board of Supervisors of the City and County of San Francisco dated December 21, 1914.

Being a portion of De Haro Street as closed pursuant to Board of Supervisors Resolution No. 11411 dated December 21, 1914 and as said street is delineated and so designated on that certain map entitled "Rancho del Potrero Nuevo" filed in the office of the recorder of the City and County of San Francisco, March 21, 1864 in Book "C" and "D" of Maps, at pages 78 and 79.

APN: 4343-001F (portion)

FIRE COLLEGE

For APN/Parcel ID(s): Lot 059, Block 3594

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 60 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SHOTWELL STREET, 35 FEET; THENCE AT A RIGHT ANGLE EASTERLY 50 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 35 FEET; AND THENCE AT A RIGHT ANGLE WESTERLY 50 FEET TO THE EASTERLY LINE OF SHOTWELL STREET AND THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 2:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 19TH STREET WITH THE EASTERLY LINE OF SHOTWELL STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF 19TH STREET, 20 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 60 FEET; THENCE AT A RIGHT ANGLE WESTERLY 20 FEET TO THE EASTERLY LINE OF SHOTWELL STREET; THENCE AT A RIGHT ANGLE NORTHERLY, ALONG THE LAST NAMED LINE, 60 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 3:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 20 FEET EASTERLY FROM THE EASTERLY LINE OF SHOTWELL STREET; RUNNING THENCE EASTERLY AND ALONG SAID LINE OF 19TH STREET, 30 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 60 FEET; THENCE AT A RIGHT ANGLE WESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 60 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 4:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 95 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 20 FEET; THENCE AT A RIGHT ANGLE EASTERLY 100 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 20 FEET; AND THENCE AT A RIGHT ANGLE WESTERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 5:

COMMENCING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 120 FEET WESTERLY FROM THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE WESTERLY AND ALONG SAID LINE OF 19TH STREET, 50 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 95 FEET; THENCE AT A RIGHT ANGLE EASTERLY 50 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 95 FEET TO THE POINT OF COMMENCEMENT.

BEING PART OF MISSION BLOCK NO. 57.

PARCEL 6:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 95 FEET WESTERLY FROM THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF 19TH STREET, 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 95 FEET;THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 95 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 7:

COMMENCING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 19TH STREET AND THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE SOUTHERLY AND ALONG SAID LINE OF FOLSOM STREET, 65 FEET; THENCE AT A RIGHT ANGLE WESTERLY 95 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 65 FEET TO THE SOUTHERLY LINE OF 19TH STREET; THENCE AT A RIGHT ANGLE EASTERLY,ALONG SAID LINE OF 19TH STREET, 95 FEET TO THE POINT OF COMMENCEMENT.

BEING PART OF MISSION BLOCK NO. 57.

PARCEL 8:

COMMENCING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 65 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG THE WESTERLY LINE OF FOLSOM STREET, 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 95 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 95 FEET TO THE WESTERLY LINE OF FOLSOM STREET AND THE POINT OF COMMENCEMENT.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 9:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF 19TH STREET, DISTANT THEREON 170 FEET WESTERLY FROM THE WESTERLY LINE OF FOLSOM STREET; RUNNING THENCE WESTERLY AND ALONG SAID LINE OF 19TH STREET, 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 95 FEET; THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 95 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 10:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 115 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 20 FEET; THENCE AT A RIGHT ANGLE EASTERLY 100 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 20 FEET; THENCE AT A RIGHT ANGLE WESTERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 11:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 135 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE

SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 20 FEET; THENCE AT A RIGHT ANGLE EASTERLY 100 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 20 FEET; THENCE AT A RIGHT ANGLE WESTERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 12:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 155 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE EASTERLY LINE OF SHOTWELL STREET AND THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 13:

BEGINNING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 95 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF FOLSOM STREET, 90 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 22 FEET, 6 INCHES; THENCE AT ARIGHT ANGLE NORTHERLY 60 FEET; THENCE AT A RIGHT ANGLE EASTERLY 145 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 14:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 185 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET; AND THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 15:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 215 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF SHOTWELL STREET, 31 FEET, 9-1/4 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 31 FEET, 9-1/4 INCHES; AND THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 16:

COMMENCING AT A POINT ON THE EASTERLY LINE OF SHOTWELL STREET, DISTANT THEREON 215 FEET NORTHERLY FROM THE NORTHERLY LINE OF TWENTIETH STREET; RUNNING THENCE NORTHERLY ALONG THE EASTERLY LINE OF SHOTWELL STREET, 58 FEET, 2-3/4 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES;THENCE AT A RIGHT ANGLE SOUTHERLY 58 FEET, 2-3/4 INCHES; AND THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES TO THE EASTERLY LINE OF SHOTWELL STREET AND THE POINT OF COMMENCEMENT.

BEING A PORTION OF MISSION BLOCK NO. 57.

PARCEL 17:

COMMENCING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 185 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 19TH STREET; RUNNING THENCE SOUTHERLY AND ALONG SAID LINE OF FOLSOM STREET, 90 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES; THENCE AT ARIGHT ANGLE NORTHERLY 90 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES TO THE POINT OF COMMENCEMENT.

BEING PORTION OF MISSION BLOCK NO. 57.

PARCEL 18:

COMMENCING AT A POINT ON THE WESTERLY LINE OF FOLSOM STREET, DISTANT THEREON 215 FEET NORTHERLY FROM THE NORTHERLY LINE OF 20TH STREET; RUNNING THENCE NORTHERLY ALONG SAID LINE OF FOLSOM STREET, 30 FEET; THENCE AT A RIGHT ANGLE WESTERLY 122 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 122 FEET, 6 INCHES TO THE POINT OF COMMENCEMENT.

BEING PART OF MISSION BLOCK 57.

EXHIBIT B

BASE RENTAL PAYMENT SCHEDULE

[Attached]

EXHIBIT C

REMOVED PROPERTY LEGAL DESCRIPTION

POLICE ACADEMY

For APN/Parcel ID(s): Lot 005, Block 7521

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

ALL OF LOT 5, IN BLOCK 7521, AS PER "MAP OF UNIT TWO OF DIAMOND HEIGHTS, SAN FRANCISCO, CALIFORNIA," RECORDED MAY 10, 1962 IN BOOK "T" OF MAPS, AT PAGES 38 TO 42, INCLUSIVE, IN THE OFFICE OF THE COUNTY RECORDER OF SAID CITY AND COUNTY.

REVOLVING CREDIT AGREEMENT

Dated as of March [__], 2023

between

CITY AND COUNTY OF SAN FRANCISCO

and

WELLS FARGO BANK, NATIONAL ASSOCIATION

relating to

CITY AND COUNTY OF SAN FRANCISCO
TAX-EXEMPT LEASE REVENUE
COMMERCIAL PAPER CERTIFICATES OF PARTICIPATION, SERIES 2

and

CITY AND COUNTY OF SAN FRANCISCO
TAXABLE LEASE REVENUE
COMMERCIAL PAPER CERTIFICATES OF PARTICIPATION, SERIES 2-T

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REVOLVING CREDIT AGREEMENT

REVOLVING CREDIT AGREEMENT, dated as of March [__], 2023, between the CITY AND COUNTY OF SAN FRANCISCO (the *"City"*) and WELLS FARGO BANK, NATIONAL ASSOCIATION (together with its successors and assigns, the *"Bank"*).

WHEREAS, pursuant to a Trust Agreement, dated as of June 1, 2010, as amended and supplemented by the First Supplement to Trust Agreement dated as of May 1, 2016 and Second Supplement to Trust Agreement dated as of March [__], 2023, each between the City and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the *"Trustee"*) as it may be further amended, supplemented, modified or restated from time to time in accordance with the terms and provisions thereof (the *"Trust Agreement"*), the City may from time to time cause the execution and delivery of its Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2 and Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 2-T (the *"Certificates"* and each, a *"Certificate"*) in an aggregate principal amount not to exceed $150,000,000 at any time;

WHEREAS, the City has requested the Bank to provide liquidity to support such Certificates by making available a revolving line of credit, in an amount not to exceed $163,500,000 in the aggregate at any time. The Bank is willing to make available such a revolving line of credit to the City, subject to the terms and conditions of this Agreement;

WHEREAS, in reliance upon the provisions hereof, the Bank and the City are willing to enter into this Agreement;

NOW, THEREFORE, for valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Defined Terms. The following terms, as used herein, have the following meanings:

"ACFR" has the meaning set forth in Section 4.1(l) hereof.

"Additional Payments" has the meaning set forth in the Sublease.

"Additional Rental" has the meaning set forth in the Sublease.

"Advance Rate" means a rate of interest per annum equal to the sum of (i) the Base Rate from time to time in effect *plus* (ii) the Applicable Margin from time to time in effect; *provided, however,* that upon the occurrence and during the continuance of an Event of Default hereunder,

the Advance Rate shall equal the Default Rate; *provided, further,* that in no event shall the Advance Rate be less than the highest rate of interest then borne by any outstanding Certificate.

"Agreement" means this Revolving Credit Agreement as the same may from time to time be amended, supplemented or otherwise modified in accordance with its terms.

"Alternate Credit Facility" has the meaning set forth in the Trust Agreement.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction from time to time concerning or relating to bribery or corruption, including the United States Foreign Corrupt Practices Act of 1977 and the rules and regulations thereunder and the U.K. Bribery Act 2010 and the rules and regulations thereunder.

"Anti-Money Laundering Laws" means any and all laws, statutes, regulations or obligatory government orders, decrees, ordinances or rules related to terrorism financing, money laundering, any predicate crime to money laundering or any financial record keeping, including any applicable provision of the PATRIOT Act and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act," 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"Applicable Margin" has the meaning set forth in the Fee Agreement.

"Authorized Representative" has the meaning set forth in the Trust Agreement.

"Available Commitment" means, at any date, the sum of the Available Principal Commitment and the Available Interest Commitment then in effect.

"Available Interest Commitment" means, and in no event shall it exceed, $13,500,000 which constitutes two hundred and seventy (270) days of interest at twelve percent (12%) on the maximum Available Principal Commitment calculated on the basis of actual number of days and a 360 day year, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Interest Component of any Revolving Loan; (b) upward in an amount equal to the Interest Component of any Revolving Loan that is repaid, pursuant to the terms of Section 2.4 or 2.7 hereof; and (c) downward by an amount that bears the same proportion to the Available Interest Commitment immediately prior to such reduction as the amount of any reduction in the Commitment bears to the Commitment immediately prior to such reduction; *provided, however,* that after giving effect to any such adjustment the Available Interest Commitment shall never exceed $13,500,000. Any adjustment pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

"Available Principal Commitment" means, and in no event shall it exceed, $150,000,000, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Principal Component of any Revolving Loan; (b) upward in an amount equal to the Principal Component of any Revolving Loan that is repaid pursuant to the terms of Section 2.4 or 2.7 hereof; and (c) downward by an amount that bears the same proportion to the Available Principal Commitment immediately prior to such reduction as the amount of any reduction in the

Commitment bears to the Commitment immediately prior to such reduction; *provided,* that, after giving effect to any such adjustment the Available Principal Commitment shall never exceed $150,000,000. Any adjustment pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

"Bank" has the meaning set forth in the introductory paragraph hereof.

"Bank Agreement" means any credit agreement, bond purchase agreement, liquidity agreement, continuing covenant agreement, direct purchase agreement or other agreement or instrument (or any amendment, supplement or modification thereto) entered into by the City with any Person, directly or indirectly, or otherwise consented to by the City, under which any Person or Persons undertakes to purchase debt, make loans, extend credit or liquidity to the City in connection with any Lease Obligation Debt.

"Bank Rate" means the rate of interest per annum with respect to any Term Loan (i) for any day commencing on the date such Term Loan is made to and including the one hundred eightieth (180th) day next succeeding the date such Term Loan is made, equal to the Base Rate from time to time in effect, and (ii) for any day commencing on the one hundred eighty-first (181st) day next succeeding the date such Term Loan is made and at all times thereafter, equal to the sum of the Base Rate from time to time in effect *plus* one percent (1.0%); *provided, however,* that immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, *"Bank Rate"* shall mean the Default Rate; *provided further* that in no event shall the Bank Rate be less than the highest rate of interest then borne by any outstanding Certificate.

"Bank's Office" means the Bank's address and, as appropriate, account as set forth in Section 7.2 hereof, or such other address or account as the Bank may from time to time notify the City.

"Base Rate" means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time *plus* one percent (1.00%), (ii) the Federal Funds Rate in effect at such time *plus* two percent (2.00%) and (iii) seven percent (7.00%).

"Base Rental" means the amounts payable of "Base Rental" as set forth in the Sublease.

"Base Rental Period" has the meaning set forth in the Trust Agreement.

"Business Day" means any day other than (i) a Saturday or Sunday or a day on which banking institutions are authorized or required by law or executive order to be closed in the State of California or the State of New York for commercial banking purposes; (ii) a day on which the New York Stock Exchange is authorized or required by law or executive order to be closed; and (iii) a day upon on which banking institutions are authorized or required by law or executive order to be closed in the cities and states in which a Notice of Loan may be presented hereunder.

"CDIAC" means the California Debt and Investment Advisory Commission.

"Certificate" and *"Certificates"* each has the meaning set forth in the first recital of this Agreement.

"Certificateholder," "Holder of Certificates" or *"Holder"* or any similar term, when used with reference to a Certificate or Certificates, means any person who shall be the bearer of any Outstanding Certificates not registered, or the registered owner of any Outstanding Certificate which shall at the time be registered other than to bearer as provided in the Trust Agreement.

"Charter" means The Charter of the City and County of San Francisco adopted November 7, 1995, and effective as of July 1, 1996, as amended and supplemented to date.

"City" means the City and County of San Francisco, California and its successors and assigns.

"Commitment" means an amount equal to the Commitment of the Bank to make Loans to the City, as such amount may be terminated and/or reduced pursuant to Section 2.6 or 7.1 hereof. The City and the Bank agree that the Commitment of the Bank is in an amount equal to $163,500,000 on the date hereof.

"Commitment Fee Rate" has the meaning set forth in the Fee Agreement.

"Commitment Termination Date" means the earliest to occur of:

(a) the Stated Expiration Date;

(b) the date the Commitment is reduced to zero pursuant to Section 2.13 or Section 6.4 hereof; and

(c) the Business Day immediately succeeding the Substitution Date.

"Components" has the meaning set forth in the Sublease.

"Credit Event" means either one of the following: the making of any Principal Advance or Interest Advance or the conversion of a Principal Advance to a Term Loan.

"Dealer" means, with respect to the Certificates, any Dealer appointed by the City pursuant to a Dealer Agreement, or any successors or assigns permitted under such Dealer Agreement and this Agreement or any other dealer for the Certificates appointed by the City pursuant to the Trust Agreement. The Dealer as of the Effective Date is U.S. Bancorp Investments, Inc.

"Dealer Agreement" means (i) each Commercial Paper Dealer Agreement, dated as of May 1, 2016, as amended by the First Amendment to Commercial Paper Dealer Agreement dated as of **[March 1]**, 2023, between the City and the Dealer, providing for the acceptance by such Dealer of the duties and obligations imposed thereby and imposing certain other duties and obligations as the same shall have been further amended, supplemented, modified or restated from

time to time in accordance with the terms hereof and thereof and (ii) any other similar agreement between the City and any other dealer for the Certificates appointed by the City pursuant to the Trust Agreement.

"Debt" shall mean, with respect to any Person, (a) all indebtedness of such Person for borrowed money, including without limitation, obligations secured by any of the revenues or assets of such Person and all obligations of such Person evidenced by bonds (including revenue bonds), debentures, notes or other similar instruments; (b) all obligations of such Person as lessee under capital leases; (c) all obligations of such Person to pay the deferred purchase price of property or services; (d) certificates of participation evidencing an undivided ownership interest in payments made by such Person as lessee under capital leases, as purchaser under an installment sale agreement or otherwise as an obligor in connection therewith; (e) all Guarantees by such Person of Debt of another Person; (f) the face amount of any letter of credit issued for the account of such Person and, without duplication, all drawings made and reimbursement obligations arising thereunder and under liquidity facilities and other similar agreements; (g) all Debt of a second Person secured by any lien on any property owned by such first Person, whether or not such Debt has been assumed; (h) all obligations of such Person to pay a specified purchase price for goods or services whether or not delivered or accepted, including but not limited to, take-or-pay or similar obligations; and (i) all obligations of such Person due and payable under any Swap Contract; *provided, however,* that Debt shall not include trade payables arising in the ordinary course of business; and *provided, further,* however that with respect to the City, Debt shall exclude conduit, enterprise and other Debt that have no claim on the General Fund of the City.

"Default" means an event which with the giving of notice or passage of time, or both, shall constitute an Event of Default.

"Default Advance" has the meaning set forth in Section 2.6(c) hereof.

"Default Rate" means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time *plus* four percent (4.00%), (ii) the Federal Funds Rate in effect at such time *plus* five percent (5.00%), and (iii) ten percent (10.00%).

"Delivery and Paying Agent" means the Delivery and Paying Agent appointed with respect to the Certificates pursuant to Article V of the Trust Agreement, and having the duties, responsibilities and rights provided for therein, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant to the Trust Agreement and this Agreement.

"Delivery and Paying Agent Agreement" means the Second Amended and Restated Delivery and Paying Agent Agreement, dated as of **[March 1]**, 2023, between the City and U.S. Bank Trust Company, National Association, as Delivery and Paying Agent for the Certificates, providing for the acceptance by such Delivery and Paying Agent of the duties and obligations imposed thereby and imposing certain other duties and obligations, as the same shall have been amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

"Dodd-Frank Act" means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as enacted by the United States Congress, and signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

"Effective Date" means March [___], 2023, subject to the satisfaction, or waiver by the Bank, of all the conditions precedent set forth in Section 3.1 hereof.

"Environmental Regulation" means any federal, state, or local statute, law, rule, regulation, ordinance, code, policy, or rule of common law now or hereafter in effect and in each case as amended, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree, or judgment, relating to health, safety, or the environment or to Hazardous Materials, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601 *et seq.*; the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801 *et seq.*; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901 *et seq.*; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*; the Toxic Substances Control Act, as amended, 15 U.S.C. § 2601 *et seq.*; the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*; the Safe Drinking Water Act, as amended, 42 U.S.C. § 3608 *et seq.*; the California Superfund Statute, Cal. Health & Safety C. § 25300 *et seq.*; legislation promulgated pursuant to the California Safe Drinking Water and Toxic Enforcement Act of 1986 (*"Proposition 65"*), Cal. Health & Safety C. § 25249.5 *et seq.*; Environmental Protection Agency regulations pertaining to asbestos, including 40 C.F.R. Part 61, Subpart M; and Occupational Safety and Health Administration regulations pertaining to asbestos, including 29 C.F.R. § 1910.1001 and 1926.58.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute thereto.

"Event of Default" has the meaning set forth in Section 6.1 and Section 6.3 hereof.

"Excess Interest" has the meaning set forth in Section 2.15 hereof.

"Excess Interest Fee" has the meaning set forth in Section 2.15 hereof.

"Existing Revolving Loans" has the meaning set forth in Section 2.2(a)(iii) hereof.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that: (a) if such day is not a Business Day, then the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day; and (b) if no such rate is so published on such next succeeding Business Day, then the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of one-hundredth of one percent) charged to the Bank on such day on such transactions as determined by the Bank. Notwithstanding anything herein to the contrary, if the Federal Funds Rate as

determined as provided above would be less than zero percent (0.0%), then the Federal Funds Rate shall be deemed to be zero percent (0.0%).

"Fee Agreement" means the Fee Agreement dated as of March [__], 2023, between the City and the Bank, as amended, supplemented, modified or restated from time to time and any other agreement delivered in substitution or exchange for such agreement.

"Final Maturity Date" means, with respect to any Term Loan, the earliest to occur of (i) the date which is three (3) years from the related Funding Date, (ii) the Substitution Date, (iii) the date which is three (3) years from the related Commitment Termination Date, (iv) the date on which the Certificates are no longer outstanding nor may be reissued, (v) the date that the Available Commitment is permanently reduced to zero or this Agreement is otherwise terminated, including upon the occurrence of an Event of Default and (vi) the date on which the City issues Certificates (or other commercial paper notes) or bonds payable from and/or secured by lease revenue rental payments payable from the General Fund of the City, the proceeds of which could be used to repay such Loan.

"Fiscal Year" means the twelve-month period commencing on July 1 of each year; *provided, however,* that the City may, from time to time, agree on a different twelve-month period as the Fiscal Year.

"Fitch" means Fitch, Inc., and its successors and assigns.

"Funding Date" means each date upon which any Revolving Loan is made by the Bank pursuant to the terms hereof.

"GAAP" means generally accepted accounting principles in the United States of America from time to time as set forth in (a) the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants, and (b) statements and pronouncements of the Governmental Accounting Standards Board, as modified by the opinions, statements and pronouncements of any similar accounting body of comparable standing having authority over accounting by governmental entities.

"General Fund" has the meaning of the term "General Fund" as used in the Charter.

"Governmental Authority" means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including, without limitation, any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervisory Practices or any successor or similar authority to any of the foregoing).

"Guarantee" by any Person shall mean any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt, leases, dividends, or other obligations (*"primary obligations"*) of any other Person (the *"primary obligor"*) and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such primary obligation or any property constituting direct or indirect security therefor (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (ii) entered into for the purpose of assuring in any other manner the obligee of such Debt of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (iii) with respect to any letter of credit issued for the account of such other Person or as to which such other Person is otherwise liable for reimbursement of drawings, *provided* that the term Guarantee shall not include (i) endorsements for collection or deposit in the ordinary course of business, or (ii) performance or completion guarantees. The term "Guarantee" used as a verb has a corresponding meaning.

"Hazardous Materials" means (a) any petroleum or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contains dielectric fluid containing polychlorinated biphenyls, and radon gas; (b) any chemicals, materials, or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials" extremely hazardous wastes, "restricted wastes," "toxic substances," "toxic pollutants," "contaminants," "special wastes," or "pollutants," or words of similar import, under any applicable Environmental Regulation; and (c) any other chemical, material, or substance, exposure to which is prohibited, limited, or regulated by any governmental authority.

"Holder" means the Bank and any other holder of any interest in the Revolving Bank Certificate or any Person to which the Bank or any such other holder sells a participation in the Revolving Bank Certificate (whether or not the City was given notice of such sale and whether or not the Holder has an interest in the Revolving Bank Certificate at the time amounts are payable to such Holder thereunder and under this Agreement).

"Interest Advance" has the meaning set forth in Section 2.4(a) hereof.

"Interest Component" in respect of any Revolving Loan, means the portion of such Revolving Loan equal to the accrued interest with respect to Certificates upon maturity thereof paid with the proceeds of such Revolving Loan pursuant to Section 2.1 hereof.

"Lease Obligation Debt" means any Debt of the City, the payment of which is payable from and/or secured by lease revenue rental payments payable from the General Fund of the City.

"Loan" means each Revolving Loan, Principal Advance, Interest Advance, Default Advance or Term Loan made by the Bank to the City pursuant to Article II hereof.

"Material City Debt" means any Debt of the City which is outstanding in a principal amount of $25,000,000 or more.

"Maximum Base Rental" means the amounts specified in the Sublease as Maximum Base Rental.

"Maximum Rate" means the lesser of (i) twelve percent (12%) per annum and (ii) the maximum rate of interest allowed by applicable law.

"Minimum Required Rental Payment" has the meaning set forth in the Sublease.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the City.

"No-Delivery Notice" means the notice described in Section 3.4 hereof.

"Notice of Loan" means a written borrowing request, in substantially the form of Exhibit B hereto, with appropriate completions, executed by the Delivery and Paying Agent, which requests a Revolving Loan from the Bank.

"Obligations" means the Reimbursement Obligations (which includes amounts owing to the Bank as evidenced by the Revolving Bank Certificate), the fees set forth in the Fee Agreement and all other obligations of the City to the Bank arising under or in relation to this Agreement and the Fee Agreement.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Offering Memorandum" means the Offering Memorandum dated March [__], 2023, with respect to the Certificates, prepared in connection with the Certificates and any amendments or supplements thereto, and the documents, if any, incorporated therein by reference.

"Outstanding," (a) when used in reference to Certificates means, as of a particular date, all Certificates authenticated and delivered pursuant to the Trust Agreement except: (i) any Certificate cancelled at or before such date, (ii) any Certificate deemed to have been paid in accordance with Section 10.03 of the Trust Agreement and (iii) any Certificate in lieu of or in substitution for which another Certificate shall have been authenticated and delivered pursuant to the Trust Agreement; and (b) when used in reference to Loans, means all Loans made by the Bank pursuant to the terms hereof and not repaid in full to the Bank, or a Participant Bank, by the City pursuant to the terms hereof.

"Participant Bank" means any institution to which the Bank has granted a participation in or assigned, sold, or otherwise transferred the whole or any part of the Bank's rights or obligations (or both) under this Agreement or any other Related Document.

"Pension Plan" means any "employee pension benefit plan" which is (a) maintained by the City or (b) maintained by any other Person and to which the City contributes (or permits any other Person to contribute) or has an obligation to contribute, or has made contributions at any time during the immediately preceding six (6) plan years.

"Permitted Encumbrances" has the meaning set forth in the Trust Agreement.

"Person" means any natural person, firm, partnership, association, corporation, joint exercise of powers authority or public body.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the City or any such Plan to which the City is required to contribute on behalf of any of its employees.

"Pledged Property" has the meaning set forth in the Trust Agreement.

"Prime Rate" means on any day, the rate of interest per annum then most recently established by the Bank as its "prime rate." Any such rate is a general reference rate of interest, may not be related to any other rate, and may not be the lowest or best rate actually charged by the Bank to any customer or a favored rate and may not correspond with future increases or decreases in interest rates charged by other lenders or market rates in general, and that the Bank may make various business or other loans at rates of interest having no relationship to such rate. If the Bank ceases to establish or publish a prime rate from which the Prime Rate is then determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in The Wall Street Journal (or the average prime rate if a high and a low prime rate are therein reported), and the Prime Rate shall change without notice with each change in such prime rate as of the date such change is reported. Notwithstanding anything herein to the contrary, if the Prime Rate determined as provided above would be less than zero percent (0.0%), then the Prime Rate shall be deemed to be zero percent (0.0%).

"Principal Advance" has the meaning set forth in Section 2.5 hereof.

"Principal Component" in respect of any Revolving Loan, means the portion of such Revolving Loan equal to the principal amount of Certificates upon maturity thereof paid with the proceeds of such Revolving Loan pursuant to Section 2.1 hereof.

"Property" has the meaning set forth in the Sublease.

"Quarterly Payment Date" means the first day of each January, April, July and October.

"Rating Agency" means Moody's, Fitch or S&P.

"Reimbursement Obligations" means any and all obligations of the City to reimburse the Bank for any amount advanced as a Loan hereunder and all obligations to repay the Bank for all Loans, including in each instance all interest accrued thereon.

"Related Documents" means this Agreement, the Fee Agreement, the Trust Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement, the Offering Memorandum, the Site Lease, the Sublease and the Dealer Agreement.

"Revolving Bank Certificate" means the revolving bank certificate, in the form of Exhibit B attached hereto, executed and delivered to the Bank pursuant to Section 2.3 hereof, and as from time to time amended or supplemented in accordance therewith, to evidence the indebtedness of the City due and owing to the Bank under this Agreement with respect to amounts advanced as Loans pursuant to this Agreement.

"Revolving Credit Period" means the period commencing on the Effective Date and ending on the Commitment Termination Date.

"Revolving Loan" means each revolving loan made by the Bank to the City pursuant to Section 2.1(b) hereof.

"Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States, including transition rules and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations.

"Sanctioned Country" means at any time, a country, region or territory which is itself (or whose government is) the subject or target of any Sanctions (including, as of the Effective Date, Cuba, Iran, North Korea, Syria, Venezuela, the Crimea Region of Ukraine, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic).

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC (including OFAC's Specially Designated Nationals and Blocked Persons List and OFAC's Consolidated Non-SDN List), the U.S. Department of State, the United Nations Security Council, the European Union, any European member state, Her Majesty's Treasury, or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, any such Person or Persons described in clauses (a) and (b), including a Person that is deemed by OFAC to be a Sanctions target based on the ownership of such legal entity by Sanctioned Person(s) or (d) any Person otherwise a target of Sanctions, including vessels and aircraft, that are designated under any Sanctions program.

"Sanctions" means any and all economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes and restrictions and anti-terrorism laws, including but not limited to those imposed, administered or enforced from time to time by the U.S. government (including those administered by OFAC or the U.S. Department of State), the United Nations Security Council, the European Union, any European member state, Her Majesty's Treasury, or

other relevant sanctions authority in any jurisdiction in which (a) the City is located or conducts business, (b) in which any of the proceeds of the Revolving Loans will be used, or (c) from which repayment of the Revolving Loans will be derived.

"S&P" means S&P Global Ratings, a corporation organized and existing under the laws of the State of New York, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the City.

"Site Lease" means the Site Lease, dated as of June 1, 2010, as amended by the First Amendment to Site Lease dated as of May 1, 2016 and as amended by the Second Amendment to Site Lease dated as of March [__], 2023, each between the City and the Trustee, as from time to time amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

"Special Event of Default" has the meaning set forth in Section 6.1 hereof.

"Special Lease Obligation Debt" means (i) all indebtedness of the City for borrowed money, including without limitation, obligations secured by any of the revenues or assets of the City, which is evidenced by bonds, debentures, notes (but excluding the principal of and/or interest on commercial paper notes issued by or on behalf of the City so long as the payment of such principal and/or interest is supported by a third-party liquidity facility or a third-party credit facility) or other similar instruments and all obligations of the City evidenced by bonds (including revenue bonds), debentures, notes (but excluding the principal of and/or interest on commercial paper notes issued by or on behalf of the City so long as the payment of such principal and/or interest is supported by a third-party liquidity facility or a third-party credit facility) or other similar instruments, in each case, (ii) all obligations of the City as lessee under capital leases, (iii) certificates of participation evidencing an undivided ownership interest in payments made by the City as lessee under capital leases, as purchaser under an installment sale agreement or otherwise as an obligor in connection therewith, (iv) all Guarantees by the City of Debt of another Person (*provided, however,* that the failure to pay any such guarantee as a result of any set-off, recoupment, counterclaim or any other defense of such Person shall not constitute a failure to pay Debt for purposes of Section 6.1(c) of this Agreement), (v) the face amount of any letter of credit issued for the account of the City and, without duplication, all drawings made and reimbursement obligations arising thereunder and under liquidity facilities and other similar agreements and (vi) all obligations of the City due and payable under any Swap Contract (but in the case of this clause (vi), only with respect to such Swap Contract(s) (other than any termination payments thereunder) that provide interest rate support with respect to any Debt of the City payable from and/or secured by lease revenue rental payments payable from the General Fund of the City and which is senior to or on parity with the Certificates and the Revolving Bank Certificate), which, in the case of each of clause (i) through (vi) of this defined term "Special Lease Obligation Debt", are payable from and/or secured by lease revenue rental payments payable from the General Fund of the City and which is senior to or on parity with the Certificates and the Revolving Bank Certificate, including, without limitation, all obligations represented by bonds, notes, indentures, certificates, debentures and similar obligations which are payable from and/or secured by lease

revenue rental payments payable from the General Fund of the City and which are senior to or on parity with the Certificates and the Revolving Bank Certificate.

"State" means the State of California.

"Stated Expiration Date" means March [__], 2026, as such date may be extended from time to time in accordance with the terms hereof.

"Sublease" means the Sublease dated as of June 1, 2010, as amended by the First Amendment to Sublease dated as of May 1, 2016 and as amended by the Second Amendment to Sublease dated as of March [__], 2023, each between the City and the Trustee, as from time to time amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

"Substitution Date" means the date of acceptance by the City of an Alternate Credit Facility in accordance with the terms and provisions of the Trust Agreement.

"Suspension Events" has the meaning set forth in Section 6.2 hereof.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a *"Master Agreement"*), including any such obligations or liabilities under any Master Agreement.

"Tax-Exempt Certificates" means the City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2.

"Taxes" has the meaning set forth in Section 2.9(b) hereof.

"Term Loan" has the meaning set forth in Section 2.6 hereof.

"Term Loan Conversion Date" in respect of any Revolving Loan, means the earlier of (i) the 90th day after the related Funding Date and (ii) the Commitment Termination Date.

"Trust Agreement" has the meaning set forth in the recitals hereof.

"Trustee" shall mean U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, and its successor or successors, and any other person which may at any time be substituted in its place pursuant to the Trust Agreement.

Section 1.2. Computation of Time Periods. In this Agreement, in the computation of a period of time from a specified date to a later specified date, unless otherwise specified herein, the word "from" means "from and including" and the words "till" and "until" each mean "to but excluding." All references to time shall mean New York City time, whether or not so expressed.

Section 1.3. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted United States accounting principles consistently applied. If, after the Effective Date, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Section 5.2(a) hereof and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement including, without limitation, a recharacterization of operating leases to the effect that certain operating leases are to be treated as capital leases, either the City or the Bank may by notice to the other party hereto, require that the Bank and the City negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the City shall be the same as if such change had not been made. No delay by the City or the Bank in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 1.3, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles.

Section 1.4. Terms Defined in Trust Agreement. Any capitalized term not defined herein shall have the meaning ascribed to such term in the Trust Agreement.

Section 1.5. Construction. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof and (d) all references herein to Articles, Sections and Exhibits shall be construed to refer to Articles and Sections of, and Exhibits to, this Agreement.

ARTICLE II

REVOLVING CREDIT; TERM LOANS

Section 2.1. Commitment to Lend.

(a) *Generally.* The City hereby requests the Bank, and the Bank hereby agrees, on the terms and conditions hereinafter set forth, to establish a revolving line of credit for the benefit of the City in an amount not to exceed the Bank's Commitment for the purpose of making Loans to fund the payment by the City of the principal of and interest with respect to any Certificates at the stated maturity thereof in accordance with the terms and provisions of this Agreement and the Trust Agreement.

(b) *Revolving Loans.* The Bank agrees, on the terms and conditions hereinafter set forth, to make Revolving Loans to the City during the Revolving Credit Period in an aggregate amount at any one time outstanding not to exceed the amount of the Bank's Commitment. Each Revolving Loan under this Section 2.1(b) shall be made in an aggregate principal amount equal to the Principal Component plus the Interest Component, as may be requested by the Delivery and Paying Agent, to enable the City to pay the principal and accrued interest with respect to Certificates maturing on the date of such Revolving Loan. The aggregate Principal Component of all Revolving Loans made on any date shall not exceed the Available Principal Commitment on such date. The aggregate Interest Component of all Revolving Loans made on any date shall equal the lesser of (i) the Available Interest Commitment on such date and (ii) the actual aggregate amount of interest, if any, accrued on the Certificates to be paid with the proceeds of such Revolving Loan. Notwithstanding anything herein to the contrary, the Bank shall have no obligation to make a Revolving Loan if the sum of such Revolving Loan plus the aggregate principal amount of the outstanding Revolving Loans and Term Loans would exceed the Available Commitment then in effect. The City may borrow under this Section 2.1(b), prepay under Section 2.7 hereof, and reborrow under this Section 2.1(b) at any time and from time to time during the Revolving Credit Period (subject to the terms and provisions of this Agreement).

(c) *Term Loans.* The Bank agrees, subject to the terms and conditions hereinafter set forth, including, without limitation, Section 2.6 hereof, to make one or more Term Loans to the City on each Term Loan Conversion Date in an amount equal to the outstanding principal amount of the Principal Advance that matures on the related Term Loan Conversion Date; *provided, however,* that the aggregate outstanding principal amount of all Loans by the Bank shall at no time exceed the amount of the Commitment.

Section 2.2. Method of Borrowing.

(a) *Revolving Loans.* (i) The City has, pursuant to the Trust Agreement and the Delivery and Paying Agent Agreement, authorized and directed the Delivery and Paying Agent to act as its agent in the issuance, authentication, delivery and payment of Certificates and in effecting borrowings under this Agreement to pay the principal of and interest on Certificates on their respective maturity dates. Each Revolving Loan shall be made upon the Delivery and Paying Agent's irrevocable notice, on behalf of the City, to the Bank by delivery to the Bank of a Notice

of Loan substantially in the form of Exhibit B hereto appropriately completed and signed by the Delivery and Paying Agent. Payment of Revolving Loans under this Agreement shall be made by the Bank by wire transfer of immediately available funds, to U.S. Bank N.A., **[ABA# _____, AC# _____, Account Name: _____, Attn: _____, Reference: City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2 and City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 2-T]**[1]. Each Notice of Loan must be received by the Bank not later than 12:00 noon (New York time) on the date of the proposed Revolving Loan. Each Notice of Loan shall specify (i) the requested date of the Revolving Loan (which shall be a Business Day), (ii) the principal amount of Revolving Loans to be borrowed and (iii) how much of such Revolving Loan will be used to pay the Principal Component of and Interest Component on the Certificates. Subject to the conditions set forth in this Section and in Section 3.2 hereof, the Bank agrees to honor a Notice of Loan received on any date on which a No-Delivery Notice is in effect pursuant to Section 3.4 hereof that is also a date upon which Certificates are due and payable by making the Revolving Loan requested in accordance with this paragraph (a)(i); *provided, however,* that the Bank shall honor Notices of Loan only for Certificates which were originally issued prior to the issuance of a No-Delivery Notice. Any Notice of Loan received by the Bank shall be irrevocable and binding upon the Delivery and Paying Agent and the City. The City shall not request more than one (1) Revolving Loan in any day.

(ii) Upon satisfaction of the applicable conditions set forth in this Section and Section 3.2 hereof, the Bank shall make all funds so received available to the Delivery and Paying Agent, on behalf of the City and unless otherwise directed by the City, no later than 2:30 p.m. (New York time) on the Business Day specified in the applicable Notice of Loan by wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Bank by the City.

(iii) If the Bank is requested to make Revolving Loans hereunder on a day on which the City is to repay all or any part of the principal of outstanding Revolving Loans (*"Existing Revolving Loans"*), the Bank may apply the proceeds of the requested Revolving Loans to repay such Existing Revolving Loans and only an amount equal to the excess (if any) of the principal amount of such Revolving Loans being borrowed over the outstanding principal of and accrued interest on such Existing Revolving Loans shall be made available by the Bank to the City.

(iv) Nothing herein shall be deemed to obligate the Bank to obtain the funds for the making of any Loan in any particular place or manner or to constitute a representation by the Bank that it has obtained or will obtain the funds for the making of any Loan in any particular place or manner. However, the Bank will make any Loan hereunder with its own funds.

Section 2.3. Fees. The City agrees to perform its obligations provided for in the Fee Agreement, including, without limitation, the payment of any and all fees provided for therein at the times and in the amounts set forth therein. The terms and provisions of the Fee Agreement are

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1 City to provide.

incorporated herein by reference. All references herein or in any other document to amounts or obligations due hereunder or under this Agreement shall be deemed to include, without limitation, all amounts and obligation due under the Fee Agreement, and any reference to this Agreement shall be deemed to include a reference to the Fee Agreement. All fees paid under this Agreement and the Fee Agreement shall be fully earned when due and nonrefundable when paid.

Section 2.4. Repayment of Revolving Loans. (a) Subject to the provisions of Section 2.5 and Section 2.6 hereof, the City will pay or cause to be paid to the Bank the Principal Component of each Revolving Loan with respect to maturing Certificates on the same Business Day such Revolving Loan is honored. The portion of each Revolving Loan that constitutes the Interest Component (each such portion being an *"Interest Advance"*) shall be due and payable two (2) Business Days following the date of the related Revolving Loan. The City shall pay or cause to be paid interest on each Interest Advance on the date such Interest Advance is repaid at a rate per annum equal to the applicable Advance Rate.

(b) Any amount of any Revolving Loan that is not repaid to the Bank when due as provided in clause (a) of Section 2.4, shall bear interest at the Default Rate until paid in full, payable on demand. Principal Advances, Default Advances and Term Loans shall be repaid to the Bank as provided in Sections 2.5 and 2.6 hereof.

(c) Each Revolving Loan shall be noted by the Bank as principal due and owing on the grid attached to the Revolving Bank Certificate issued to the Bank in accordance with Section 2.11 hereof; *provided* that neither the failure of the Bank to notate such amount nor any error in any such notation shall affect the obligations of the City hereunder or under the Revolving Bank Certificate.

Section 2.5. Principal Advances. If the Bank shall make any Revolving Loan hereunder with respect to the payment of principal of maturing Certificates and the conditions precedent set forth in Section 3.3 shall have been fulfilled on the Funding Date, and the City (at its option) does not reimburse or cause to be reimbursed the Bank in connection therewith on the same Business Day, then such the Principal Component of such Revolving Loan shall constitute a principal advance made by the Bank to the City on the date and in the amount of such payment (each such advance being a *"Principal Advance"* and, collectively, the *"Principal Advances"*). The City shall pay or cause to be paid interest on the unpaid amount of each Principal Advance from the date that such Principal Advance is made by the Bank until such amount is repaid in full. Such interest shall be payable monthly in arrears (based on the actual days elapsed since the date of such Principal Advance, divided by 360), on the first Business Day of each calendar month during the term of each Principal Advance and, with respect to any such amount repaid, on the date any such amount is repaid, at a rate per annum equal to the applicable Advance Rate.

Section 2.6. Conversion of Principal Advances to Term Loans; Term Loans; Default Advances. (a) Subject to (i) the satisfaction of the conditions set forth in Section 3.3 hereof, and (ii) delivery by the City to the Bank of a Request for Term Loan in the form of Exhibit E attached hereto no later than 30 days prior to the Term Loan Conversion Date, any amount of a Principal Advance (but not a Default Advance) remaining unpaid by the City to the Bank under Section 2.5 hereof on the Term Loan Conversion Date shall be converted to a term loan (each, a *"Term Loan"*

and, collectively, the *"Term Loans"*). The City shall repay the principal amount of each Term Loan in installments as to principal, commencing on the first Quarterly Payment Date following the Term Loan Conversion Date, and on each Quarterly Payment Date thereafter, with the final installment in an amount equal to the then outstanding principal amount due and payable on the Final Maturity Date. The principal amount of each Term Loan shall be amortized over the period from the Term Loan Conversion Date to the Final Maturity Date in equal quarterly installments of principal; *provided, however,* that the unpaid amount of each Term Loan shall be paid by the City in each year only to the extent of the then fair rental value with respect to the Components subject to the Sublease for such Base Rental Period, and to the extent not so repaid because the unpaid amount of such Term Loan exceeds the fair rental value with respect to the Components subject to the Sublease for such Base Rental Period, such unpaid Term Loan amounts shall be paid during each subsequent Base Rental Period, to the extent owed, to the extent of the then fair rental value with respect to the Components subject to the Sublease for each such subsequent Base Rental Period, and such Term Loan shall continue to be an obligation of the City pursuant to the Sublease. The City may prepay or cause to be prepaid the outstanding amount of any Term Loan in whole or in part with accrued interest to the date of such prepayment on the amount prepaid. The amount of the Available Commitment and the amounts available to be drawn thereunder by the Delivery and Paying Agent by any Notice of Loan shall not be increased with respect to the conversion of a Principal Advance to a Term Loan.

(b) Each Term Loan shall bear interest at the applicable Bank Rate, payable monthly in arrears (based on a year of 360-days and the actual number of days elapsed) on the first Business Day of each calendar month during the term of such Term Loan and on the date on which the final installment of principal of the Term Loan is payable.

(c) (1) If (i) the Bank shall make any payment hereunder pursuant to a Notice of Loan and the conditions set forth in Section 3.3 hereof shall not have been fulfilled on the Funding Date, and the City fails to reimburse the Bank, or cause to be the Bank to be reimbursed, for such payment in connection therewith on the Funding Date, (ii) the Bank shall have made a Principal Advance to the City and the conditions set forth in Section 3.3 hereof shall have not been fulfilled on the Term Loan Conversion Date, or (iii) an Event of Default shall have occurred while any Revolving Loan, Principal Advance, Interest Advance or Term Loan remains outstanding, then, in each case, such payment, Revolving Loan, Principal Advance, Interest Advance or Term Loan, as applicable, shall then constitute or become a default advance made by the Bank to the City on the date of such event and in the amount of such payment or advance hereunder (each such default advance being a *"Default Advance"* and, collectively, the *"Default Advances"*). The City hereby agrees to pay or cause to be paid to the Bank (i) interest at the Default Rate on any amount of the Default Advance remaining unpaid by the City to the Bank from the date of such Default Advance until payment in full, payable monthly in arrears on the first Business Day of each calendar month, for the immediately preceding calendar month, and (ii) the unpaid amount of each Default Advance, payable on each Quarterly Payment Date in an amount equal to the then fair rental value with respect to the Components subject to the Sublease for such quarterly period, in each case, subject to the immediately following clause (2).

(2) The unpaid amount of each Default Advance shall be paid or caused to be paid by the City in each year only to the extent of the then fair rental value with respect to the Components

subject to the Sublease for such Base Rental Period, and to the extent not so repaid because the unpaid amount of such Default Advance exceeds the fair rental value with respect to the Components subject to the Sublease for such Base Rental Period, the unpaid amounts of such Default Advance shall be paid during each subsequent Base Rental Period, to the extent owed, to the extent of the then fair rental value with respect to the Components subject to the Sublease for each such subsequent Base Rental Period, and such Default Advance shall continue to be an obligation of the City pursuant to the Sublease.

Section 2.7. Prepayment of Principal Advances, Interest Advances, Default Advances or Term Loans; Reinstatement of Available Commitment. (a) Upon prior written notice to the Bank, the City may prepay or cause to be prepaid the amount of any Principal Advance, Interest Advance, Default Advance or Term Loan outstanding in whole or in part with accrued interest to the date of such repayment on the amount prepaid. Any prepayment in part under this Section 2.7(a) shall be in a minimum principal amount of $100,000 and integral multiples of $5,000 in excess thereof, and shall be applied by the Bank against each such Principal Advance, Interest Advance, Default Advance or Term Loan, as the case may be, first to any Default Advance and, thereafter, in the order in which each such Principal Advance, Interest Advance or Term Loan, as the case may be, was made.

(b) Any prepayment made under Section 2.7(a) hereof shall be applied by the Bank as a reimbursement of the related Principal Advance, Interest Advance, Default Advance or Term Loan (and as a prepayment of the Principal Advance, Interest Advance, Default Advance or Term Loan, as the case may be, resulting from such Principal Advance, Interest Advance, Default Advance or Term Loan) and, in the case of a prepayment of a Principal Advance, Interest Advance or Term Loan, the City irrevocably authorizes the Bank to reinstate the Available Commitment by the amount of such prepayment; *provided, however,* that the Delivery and Paying Agent shall not deliver any Certificates (the aggregate principal and interest of which is payable from the amount of the Available Commitment so reinstated) for sale or otherwise until the Available Commitment has been reinstated pursuant to the terms of this Agreement. The amount of the Available Commitment and the amounts available to be drawn thereunder by the Delivery and Paying Agent by a Notice of Loan shall not be increased with respect to repayments of Term Loans or Default Advances, unless otherwise agreed to in writing by the Bank.

(c) In the event that the Delivery and Paying Agent delivers any Certificates while any Principal Advance, Interest Advance, or Term Loan or any portion of any Principal Advance, Interest Advance or any Term Loan remains unpaid, the City shall apply the proceeds of any such Certificates to the prepayment of such outstanding Principal Advance, Interest Advance or Term Loan, as the case may be. Any prepayment in part under this Section 2.7(c) shall be applied against each such Principal Advance, Interest Advance or Term Loan in the order in which each such Principal Advance, Interest Advance or Term Loan, as the case may be, was made.

Section 2.8. Increased Costs; Capital Adequacy. (a) In the event of the adoption after the Effective Date of any law, rule or regulation (domestic or foreign), or any change after the Effective Date in any law, rule or regulation, or the interpretation or application thereof by any court, governmental authority, central bank or comparable authority charged with the enforcement or administration or interpretation thereof, or the compliance with any guidelines or request from

any governmental authority, central bank or comparable authority (whether or not having the force of law):

(i) subjects the Bank or any Participant Bank to any tax, deduction or withholding with respect to this Agreement, the Fee Agreement or the Revolving Bank Certificate (other than any tax based upon the overall net income of the Bank or such Participant Bank), or

(ii) imposes, modifies or deems applicable any reserve, capital or liquidity ratio, special deposit, insurance premium (including any assessment or other cost imposed by the Federal Deposit Insurance Corporation or any successor thereto) or similar requirement against credits (including letters of credit) or commitments to extend credit extended by, or assets (funded or contingent) held by, or deposits with or for the account of, or loans by, or other acquisitions of funds or bonds by, the Bank or any Participant Bank, or

(iii) imposes upon the Bank or any Participant Bank any other condition or expense with respect to this Agreement, the commitment or obligations of the Bank or such Participant Bank hereunder, the Fee Agreement or the Revolving Bank Certificate,

and the result of any of the foregoing is to increase the cost to the Bank or such Participant Bank, reduce the income receivable by the Bank or the Participant Bank, impose any expense upon the Bank or such Participant Bank or reduce the amount of any payment receivable by the Bank or such Participant Bank, with respect to this Agreement, the Fee Agreement or the Revolving Bank Certificate, as reasonably determined and allocated by the Bank or such Participant Bank, by an amount which the Bank or such Participant Bank deems to be material, the Bank shall notify the City thereof by delivery of a certificate of an officer of the Bank or such Participant Bank of the nature described in the next sentence, and the City shall pay or cause to be paid to the Bank promptly, and in any event within thirty (30) days after receipt of such notice, that amount which shall compensate the Bank or such Participant Bank (on an after tax basis, grossing up to cover any taxes payable by the Bank or such Participant Bank on such amount) for such increase in cost, reduction in income, additional expense or reduced amount. A certificate setting forth such increase in cost, reduction in income or additional expense or reduced amount (including such detail as the City may reasonably request), and the manner of calculating the same as determined by the Bank or such Participant Bank, shall be submitted by the Bank to the City and, absent manifest error, shall be conclusive as to the amount thereof; *provided however,* the City shall not be obligated to pay such costs incurred before 180 days prior to the notification thereof, except where (i) the Bank or Participant Bank, as applicable, had no actual knowledge of the action resulting in such increased costs, increased capital or reduction in the rate of return, as applicable, as of the date which is 180 days prior to the notification thereof or (ii) such increased costs, increased capital or reduction in the rate of return apply to the Bank or Participant Bank retroactively to a date prior to the date which is 180 days prior to the notification thereof. In making the determinations contemplated by the above referenced certificate, the Bank or such Participant Bank may make such reasonable estimates, assumptions, allocations and the like that the Bank or such Participant Bank in good faith determines to be appropriate.

(b) If the Bank or any Participant Bank shall have determined that the adoption after the Effective Date of any law, rule, regulation or guideline (whether or not having the force of law) regarding liquidity as well as capital adequacy, or any change in any applicable law, rule, regulation or guideline, as the case may be, or any change in the enforcement or interpretation or administration thereof by any court or any administrative or governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank or any Participant Bank (or any lending office thereof) with any request or directive regarding liquidity as well as capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of (A) affecting the amount of capital or liquidity to be maintained by the Bank or such Participant Bank or the Bank's or such Participant Bank's parent or holding company, if any or (B) reducing the rate of return on capital or liquidity of the Bank or such Participant Bank as a consequence of its rights or obligations hereunder, the Fee Agreement or with respect to the Revolving Bank Certificate to a level below that which the Bank or such Participant Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank or such Participant Bank with respect to liquidity and capital adequacy) by an amount deemed by the Bank to be material, the Bank shall notify the City thereof by delivery of a certificate of an officer of the Bank of the nature described in the next sentence, and the City shall pay or cause to be paid to the Bank promptly, and in any event within thirty (30) days after receipt of such notice, that amount which shall compensate the Bank or such Participant Bank (on an after tax basis, grossing up to cover any taxes payable by the Bank or such Participant Bank on such amount) for such reduction in rate of return on capital; *provided however,* the City shall not be obligated to pay such additional compensation for a period up to 180 days prior to the notification thereof, except where (i) the Bank or Participant Bank, as applicable, had no actual knowledge of the action resulting in such increased costs, increased capital or reduction in the rate of return, as applicable, as of the date which is 180 days prior to the notification thereof or (ii) such increased costs, increased capital or reduction in the rate of return apply to the Bank or Participant Bank retroactively to a date prior to the date which is 180 days prior to the notification thereof. A certificate setting forth such reduction in rate of return on capital (including such detail as the City may reasonably request), and the manner of calculating the same as determined by the Bank or such Participant Bank, shall be submitted by the Bank to the City and, absent manifest error, shall be conclusive as to the amount thereof. In making the determinations contemplated by the above referenced certificate, the Bank or such Participant Bank may make such reasonable estimates, assumptions, allocations and the like that the Bank or such Participant Bank in good faith determines to be appropriate.

(c) The Bank shall notify the City of any such impending or announced change in law, regulation or interpretation referred to in subsection (a) or (b) of this Section 2.8 promptly upon receipt by it of actual notice of such change; *provided, however,* that any delay or failure to so notify the City shall not in any manner relieve the City of their obligations under this Section 2.8.

(d) Notwithstanding anything to the contrary in this Section 2.8, in the event the Bank grants any participation to any Participant Bank pursuant to Section 7.7(b) hereof, the City shall not have any obligation to pay amounts pursuant to this Section 2.8 in an amount greater than that which it would have been required to pay if the Bank had not granted such participation.

(e) The obligations and liabilities under this Section 2.8 shall survive the termination of this Agreement and the payment in full of all Obligations.

(f) A change in law, rule, regulation or guideline (whether or not having the force of law) shall include, without limitation, (i) any change in the Risk-Based Capital Guidelines or (ii) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof which affects the amount of capital or liquidity required or expected to be maintained by the Bank or any Participant Bank or any corporation controlling the Bank or any Participant Bank. Notwithstanding the foregoing, for purposes of this Agreement, all requests, rules, ruling, guidelines, regulations or directives in connection with the Dodd-Frank Act shall be deemed to be a change in law for the purposes of this Section regardless of the date enacted, adopted or issued and all requests, rules, rulings, guidelines, regulations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities or foreign regulatory authorities shall be deemed to be a change in law for the purposes of this Section regardless of the date enacted, adopted, issued, promulgated or implemented.

(g) To the extent amounts under this Section 2.8 are allocated and/or incurred, in whole or in part, at the level of the Bank's parent or any corporation controlling the Bank or a Participant Bank's parent or any corporation controlling such Participant Bank, the Bank's parent or any corporation controlling the Bank and such Participant Bank's parent or any corporation controlling such Participant Bank shall have the same rights and benefits against the City under this Section 2.8 as it would have had if such parent or any corporation controlling the Bank or such Participant Bank were the Bank or such Participant Bank hereunder; *provided,* that increased costs incurred by the Bank's or such Participant Bank's parent or any corporation controlling the Bank or such Participant Bank, as applicable, shall be without duplication of any increased costs incurred by the Bank or such Participant Bank.

Section 2.9. Payments and Computations. (a) The City shall make or cause to be made each payment hereunder and under the Fee Agreement (i) representing reimbursement pursuant to Section 2.3 and Section 2.4 hereof to the Bank of the amount advanced as a Loan pursuant to a Notice of Loan hereunder not later than 4:00 p.m., and (ii) not later than 1:00 p.m. for all other payments, on the day when due, in lawful money of the United States of America to the account of the Bank at the Bank's Office in immediately available funds; *provided, however,* that whenever any payment hereunder or under the Fee Agreement shall be due on a day that is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day, and any interest payable thereon shall be payable for such extended time; and *provided, further* that the City shall be permitted to make any payment pursuant to Section 1.1 of the Fee Agreement in next day funds if such payment is made (i) on the Business Day immediately preceding the date on which such payment would otherwise have been due and (ii) in an amount equal to the amount that would have been required to have been paid had the payment not been made in next day funds in reliance upon this proviso. Payment received by the Bank after the applicable time set forth in this Section 2.8 shall be considered to have been made on the next succeeding Business Day. Computations of the Advance Rate, the Bank Rate, the Base Rate, the Prime Rate and the Default

Rate hereunder or under the Fee Agreement shall be made by the Bank on the basis of a year of 360 days for the actual number of days elapsed.

(b) All such payments will be made without counterclaim, setoff, condition or defense, free and clear of, and without deduction or withholding for, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein (but excluding any tax imposed on the overall net income of the Bank or such Participant Bank pursuant to the laws of the jurisdiction (or any political subdivision or taxing authority thereof or therein) in which the principal office of the Bank or such Participant Bank is located) and all interest, penalties or similar liabilities with respect thereto (collectively, *"Taxes"*); *provided, however,* that the City shall have no liability with respect to any Taxes which are imposed on the Bank or any Participant Bank pursuant to the laws of the jurisdiction (or any political subdivision or taxing authority thereof or therein) in which the principal office of the Bank or such Participant Bank is located unless (i) the Bank or such Participant Bank is entitled to the benefits of an income tax treaty with the United States that provides for an exemption from United States withholding tax on interest and other amounts payable to the Bank or such Participant Bank, as the case may be, pursuant to the terms of this Agreement, the Revolving Bank Certificate and any other Related Document, or (ii) all interest and other amounts payable to the Bank or such Participant Bank pursuant to the terms of this Agreement, the Revolving Bank Certificate or any other Related Documents will be effectively connected with the conduct by the Bank or such Participant Bank of a trade or business within the United States. If any Taxes are so levied or imposed, the City agrees to pay or cause to be paid to the Bank on demand the full amount of such Taxes and such additional amounts as may be necessary so that every payment of all amounts due hereunder, under the Revolving Bank Certificate or under any Related Document, after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein, in the Revolving Bank Certificate or in such Related Document. The City will deliver to the Bank within forty-five (45) days after the date the payment of any Taxes is due pursuant to applicable law certified copies of tax receipts evidencing such payment by the City. To the extent permitted by law, the City will indemnify and hold harmless the Bank or such Participant Bank and reimburse the Bank upon written request, for the amount of any Taxes so levied or imposed and paid by the Bank or such Participant Bank. The obligations and liabilities under this Section 2.9(b) shall survive the termination of this Agreement and the payment in full of all Obligations.

(c) Unless otherwise provided herein, amounts not paid when due shall bear interest at the Default Rate and shall be payable upon demand.

Section 2.10. Extension of Stated Expiration Date. The Stated Expiration Date shall be subject to extension at any time following the then scheduled Stated Expiration Date, as set forth below. On any date which is not less than one hundred eighty (180) days prior to the Stated Expiration Date, the City may request in writing that the Bank extend the Stated Expiration Date for an additional term of such period as the parties may agree by delivery to the Bank of a Request for Extension in the form attached hereto as Exhibit E. Within forty-five (45) days of the date of any such Request for Extension, the Bank will notify the City in writing of the decision by the Bank in its absolute discretion whether to extend for such additional period, the Stated Expiration Date for purposes of this Agreement, including in such notice the extended Stated Expiration Date

and the conditions of such consent (including conditions relating to legal documentation and the consent of the Delivery and Paying Agent). If the Bank does so agree to extend, the Bank shall deliver an executed Notice of Extension to the Delivery and Paying Agent. If the Bank elects not to extend or fails to send such written notice of such election to extend within such 60-day period, the Bank shall not provide a Notice of Extension to the Trustee, and the Bank shall be deemed to have denied the City's request to extend. The failure of the Bank to give such Notice of Extension shall be deemed a denial of the City's request for extension.

Section 2.11. Evidence of Obligation; Revolving Bank Certificate. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the obligations resulting from each Loan made hereunder and from each Loan made from time to time hereunder and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such accounts shall be *prima facie* evidence of the existence and amounts of the obligations of the City therein evidenced.

To evidence the obligation of the City due and owing to the Bank under this Agreement with respect to Loans made by Bank hereunder, the City will cause the execution and delivery of the Revolving Bank Certificate, in the form of Exhibit B attached hereto, to the Bank on the Effective Date. The Bank shall note on the grid attached to the Revolving Bank Certificate principal amounts owing to the Bank, and the maturity schedule therefor pursuant to Sections 2.5 and 2.6 hereof respecting outstanding Revolving Loans and Term Loans converted from Principal Advances with interest until payment in full pursuant to the terms of the Revolving Bank Certificate. The obligations of the City under this Agreement are payable solely from the Pledged Property.

The Revolving Bank Certificate shall bear interest and shall be due and payable on the dates, in the amounts, and under the circumstances set forth herein. The City's obligations to repay each Loan and to pay interest thereon as provided herein and to pay all other Obligations shall be evidenced and secured by the Revolving Bank Certificate, payable to the Bank and in the principal amount equal to the Bank's Commitment, and the City shall, without duplication (i) make a principal payment on the Revolving Bank Certificate on each date on which the City is required to make a principal payment on each Loan in an amount equal to the principal payment due on such date, (ii) pay interest with respect to the Revolving Bank Certificate on each date on which the City is required to make an interest payment with respect to each Loan in an amount equal to the interest payment due on such date and (iii) make payment on the Revolving Bank Certificate on each date on which any other Obligation is due and owing hereunder in an amount equal to the amount of such Obligation on such date. The payment of the principal and interest with respect to the Revolving Bank Certificate shall constitute payment of the principal and interest with respect to the related Obligation and the payment of the principal of and interest on the Obligation shall constitute the payment of and principal and interest on the Revolving Bank Certificate and the failure to make any payment on any Obligation when due shall be a failure to make a payment on the Revolving Bank Certificate and the failure to make any payment on the Revolving Bank Certificate when due shall be a failure to make a payment on the Obligation.

Section 2.12. Obligations Absolute. The obligations of the City under this Agreement shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the

terms thereof, under all circumstances whatsoever, including without limitation the following circumstances:

(a) any lack of validity or enforceability of any of the Related Documents;

(b) any amendment to, waiver of or consent to departure from any provision of, this Agreement or any of the Related Documents;

(c) the existence of any claim, set-off, defense or other right which the City may have at any time against the Trustee, the Delivery and Paying Agent, a Dealer or the Bank (other than the defense of the payment to the Bank in accordance with the terms of this Agreement), any successor Delivery and Paying Agent (or any person or entity for whom any such successor may be acting), or any other Person, whether in connection with this Agreement, any Related Document or any unrelated transaction;

(d) any Notice of Loan or other demand, statement or any other document presented hereunder proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(e) any non-application or misapplication by the Delivery and Paying Agent of the proceeds of any Loan hereunder;

(f) payment by the Bank hereunder to the person entitled thereto against presentation of a Notice of Loan which does not comply strictly with the terms hereof; or

(g) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

Nothing contained in this Section 2.12 shall operate to prevent the City from bringing a cause of action against the Bank for any liability it may incur as a result of its gross negligence or willful misconduct as provided in Section 7.5 hereof.

Notwithstanding the foregoing, the obligations of the City under this Agreement are a special obligation of the City payable solely from the Pledged Property and subject to the fair rental value with respect to the Components subject to the Sublease.

Section 2.13. Termination. (a) Notwithstanding any provision of this Agreement or the Fee Agreement to the contrary, the City shall not terminate, replace or permanently reduce the Commitment prior to the Stated Expiration Date except upon (i) the payment to the Bank of all fees, expenses and other amounts payable hereunder and under the Fee Agreement, (including, without limitation, any amounts payable pursuant to Section 1.5 thereof) (ii) the payment to the Bank of all principal and accrued interest owing on the Revolving Bank Certificate and (iii) providing the Bank written notice of its intention to do so at least sixty (60) days prior to the date of such termination or replacement; *provided* that all payments to the Bank referred to in clauses (i), (ii) and (iii) above shall be made with immediately available funds.

(b) The City shall not reduce the Commitment to a level such that the Available Principal Commitment is less than the outstanding principal amount of the Certificates or the Available Interest Commitment is less than the amount of accrued interest with respect to Outstanding Certificates to their respective maturity dates.

Section 2.14. Pledge by the City. To provide security to the Bank for the payment by the City of the Obligations and any and all amounts now or hereafter owing to the Bank under this Agreement and the Revolving Bank Certificate, the City hereby pledges to the Bank the Pledged Property. The pledge of the Pledged Property made by the City hereunder is valid, binding and perfected from the time when it is made and the Pledged Property so pledged shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the City irrespective of whether such parties have notice thereof. Such lien shall be on a parity with the lien in favor of the Bank and the Delivery and Paying Agent and the Trustee on the Pledged Property under the Trust Agreement. The obligations of the City under this Agreement are a special obligation of the City payable solely from the Pledged Property. No filing, registration, recording or publication of this Agreement or the Revolving Bank Certificate or any other instrument is required to establish the pledge of the Pledged Property.

Section 2.15. Maximum Interest Rate; Payment of Fee. If the rate of interest payable hereunder shall exceed the Maximum Rate for any period for which interest is payable, then (i) interest at the Maximum Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Rate (the *"Excess Interest"*), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed such Maximum Rate, at which time the City shall pay or cause to be paid to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Bank to equal such Maximum Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to the Bank. Upon the termination of this Agreement, in consideration for any limitation of the rate of interest which may otherwise be payable hereunder, the City shall pay or cause to be paid to the Bank a fee equal to the amount of all unpaid deferred Excess Interest (the *"Excess Interest Fee"*); *provided* that the Excess Interest Fee shall be payable as and to the extent that the then fair rental value with respect to the Components subject to the Sublease for such Base Rental Period exceeds the sum of all other Reimbursement Obligations remaining unpaid hereunder and the amount of interest accruing on the Certificates during such Base Rental Period. In accordance with Section 5922 of the California Government Code, the City hereby represents and warrants that the obligations of the City under the Revolving Bank Certificate and all other Reimbursement Obligations hereunder are not subject to any limitation as to maximum interest rate.

Section 2.16. Adjustment of Base Rental. (a) To the extent any Reimbursement Obligation or accrued interest thereon has not been paid as and when due or any deferred Excess Interest remains unpaid, following the Commitment Termination Date and for so long thereafter as any Reimbursement Obligations remain unpaid, the City shall increase the amount of the Base Rental

payable under the Sublease for the Property to the greater of (i) the Maximum Base Rental for the Property or (ii) the maximum fair rental value of the Property determined in accordance with subsection (b) below.

(b) To the extent any Reimbursement Obligation or accrued interest thereon has not been paid as and when due or any deferred Excess Interest remains unpaid, following the Commitment Termination Date and for so long thereafter as any Reimbursement Obligations remain unpaid, unless the Sublease has terminated in accordance with its terms, the City agrees, at the Bank's sole written request, from time to time (but not more than once in any twelve month period), to determine or cause to be determined, the fair rental value for one or more Components. Upon consultation with special counsel and the Bank, such determination shall be by a Class C appraisal or an MAI certified appraisal conducted by an employee of the City and shall be at the sole expense of the City. In addition, the City agrees to extend the term of (i) the Site Lease in accordance with Section 4 thereof and (ii) the Sublease in accordance with Section 2.2 thereof, if, on the stated expiration thereof, any amounts remain owing to the Bank hereunder or under any of the other Related Documents.

Section 2.17. Rights of the Bank. At any time any Loan is outstanding hereunder, the Bank shall be entitled to and shall be deemed to have all rights, privileges and security accorded owners of Certificates as provided in the Certificates and the Trust Agreement.

ARTICLE III

CONDITIONS

Section 3.1. Conditions to Closing and Effectiveness of this Agreement. The obligation of the Bank to make Revolving Loans in accordance with Section 2.1 hereof shall become effective subject to the fulfillment of the following conditions precedent on or before the Effective Date in form and substance and in a manner satisfactory to the Bank:

(a) The Bank shall have received:

(i) Certified copies of the resolutions of the City approving this Agreement, the other Related Documents and the other matters contemplated hereby and thereby, and all other documents, including records of proceedings of the City, instruments, governmental approvals, third party approvals and opinions as the Bank and its counsel may reasonably request evidencing any other necessary action.

(ii) A certificate of the City stating the names and true signatures of the officers of the City authorized to sign this Agreement, the Fee Agreement, the Revolving Bank Certificate and the other documents to be delivered by the City hereunder.

(iii) Executed or certified copies, as applicable, of each of the Related Documents in form and substance satisfactory to the Bank.

(iv) Reserved.

(v) An opinion addressed to the Bank from Jones Hall, A Professional Law Corporation (*"Special Counsel"*), in form and substance satisfactory to the Bank and its counsel, addressed to the Bank, to the effect that (A) this Agreement and the Fee Agreement have been duly authorized, executed and delivered by the City and constitute legal, valid and binding agreements of the City enforceable against the City in accordance with their respective terms (except that (i) the enforcement of the Agreement and the Fee Agreement may be limited by bankruptcy and other similar laws relating to creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the City in the State of California and (ii) Special Counsel shall not be required to express any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained therein or the availability of any equitable remedies), (B) the Revolving Bank Certificate has been duly executed and delivered pursuant to the Trust Agreement in evidence of Loans made by the Bank hereunder and constitutes a legal, valid and binding agreement of the City enforceable against the City in accordance with its terms (except that (i) the enforcement thereof may be limited by bankruptcy and other similar laws relating to creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the City in the State of California) and (ii) Special Counsel shall not be required to express any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained therein or the availability of any equitable remedies, (C) this Agreement satisfies the terms and conditions of the Trust Agreement, (D) the Bank is entitled to the benefits of the Trust Agreement on a parity with all holders of the Certificates, (E) the City has the authority and power to execute this Agreement, (F) that the terms of the Trust Agreement and this Agreement create a valid pledge of and lien of the Pledged Property to secure the Revolving Bank Certificate and the amounts owed to the Bank hereunder and under the Fee Agreement and (G) the status of the Base Rental payments.

(vi) Evidence that (A) the short-term rating assigned to the Certificates by S&P is "A-1" or better, by Moody's is "P-1" or better, and by Fitch is "F1+" or better; (B) the long-term unenhanced debt ratings assigned by each of Fitch, S&P and Moody's to any unenhanced Lease Obligation Debt of the City (without giving

effect to any bond insurance or other credit enhancement thereon) is at least "Aaa", "AAA" and "AA+" by Moody's, S&P and Fitch, respectively, and (C) the long-term unenhanced debt ratings assigned by each of Fitch, S&P and Moody's to any unenhanced general obligations bonds of the City (without giving effect to any bond insurance or other credit enhancement thereon) is at least "Aaa", "AAA" and "AA+" by Moody's, S&P and Fitch, respectively;

(vii) The Revolving Bank Certificate, duly executed and delivered to the Bank.

(viii) A certificate of the City setting forth the annual fair rental value of each Component.

(ix) Certificate(s) of the City stating that (A) on the Effective Date, no Default or Event of Default has occurred and is continuing, or would result from the execution and delivery of this Agreement or the Fee Agreement, and that (B) on the Effective Date and after giving effect to the execution and delivery of this Agreement and the Fee Agreement, all representations and warranties of the City contained herein or otherwise made in writing in connection herewith shall be true and correct with the same force and effect as though such representations and warranties had been made on and as of such time.

(x) An opinion of the City Attorney of the City as counsel to the City, in form and substance satisfactory to the Bank and its counsel, and addressed to the Bank.

(xi) Audited financial statements for the City for the two most recently available fiscal years and the most recent operating budget summaries for the City's General Fund for the current fiscal year.

(xii) Written evidence of title insurance on the Components insuring the Trustee and naming the Bank an additional insured, in an amount not less than the Commitment, subject only to such exceptions as shall be acceptable to the Bank, with such endorsements and affirmative coverages as may be reasonably required by the Bank, including such endorsements as may be reasonably required by the Bank, and otherwise in form and substance satisfactory to the Bank and its counsel and issued by an insurance company acceptable to the Bank and its counsel and authorized to issue such insurance in the State of California.

(xiii) A certificate from the City's Risk Manager stating that the City's current policies of insurance and any self-insurance maintained by the City comply with the provisions of Section 4.3 of the Sublease.

(xiv) Evidence of the City's current hazard and rental interruption insurance for the Components and such insurance shall be satisfactory to the Bank.

(xv) A copy of the investment policy of the City.

(xvi) Certificates of the Trustee and the Delivery and Paying Agent evidencing the signatures and offices of officers of each executing the Related Documents and with respect to the Delivery and Paying Agent, authorized to deliver Notices of Loan under this Agreement, and with respect to such other matters as the Bank may reasonably request, and an opinion of counsel to each of the Delivery and Paying Agent and the Trustee, in form and substance satisfactory to the Bank and its counsel, and addressed to the Bank.

(xvii) Written evidence satisfactory to the Bank that (A) a separate CUSIP number has been obtained and reserved from Standard and Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. for the Revolving Bank Certificate (such CUSIP number shall also be made available on the Bloomberg Municipal Bond Description Screen or otherwise provided electronically to the Bank pursuant to a third party provider of such information) and (B) the Revolving Bank Certificate (and its related CUSIP number) shall have been assigned one rating of at least "Baa3" by Moody's or "BBB-" by Fitch.

(xviii) A reliance letter from Jones Hall, A Professional Law Corporation, Special Counsel, addressed to the Bank, entitling the Bank to rely on such firm's approving opinion addressed to the City and dated November 15, 2021.

(xix) Such other documents, certificates, opinions, approvals and filings with respect to the Related Documents and this Agreement as Special Counsel and the Bank may reasonably request.

(b) All other legal matters pertaining to the execution and delivery of this Agreement, the Related Documents and the execution and delivery of the first installment of the Certificates shall be reasonably satisfactory to Special Counsel, the Bank and its counsel.

(c) The City shall have made payment to the Bank of all amounts due on the Effective Date hereunder and under the Fee Agreement.

Section 3.2. Conditions to Making Revolving Loans. The obligation of the Bank to make any Revolving Loan is subject to the satisfaction of each condition in Section 3.1 hereof on or prior to the Effective Date, receipt by the Bank of a properly presented and conforming Notice of Loan in accordance with Section 2.2(a) hereof and the satisfaction of the further condition that no Special Event of Default shall have occurred and no Suspension Event shall have occurred and be continuing. In addition, the Bank shall have no obligation to make any Revolving Loan the proceeds of which shall be used to pay the principal and/or interest with respect to maturing Certificates that were issued after receipt by the Delivery and Paying Agent of a No-Delivery Notice. The submission of a Notice of Loan by the Delivery and Paying Agent shall be deemed to be a representation and warranty by the City on the date of such borrowing that no Special Event of Default shall have occurred and no Suspension Event shall have occurred and be continuing.

Section 3.3. Conditions Precedent to Each Credit Event. As a condition precedent to the occurrence of each Credit Event hereunder, the following conditions shall be satisfied on the date of such Credit Event:

(a) no Default or Event of Default shall have occurred and be continuing; and

(b) the representations and warranties made by the City in Article 4 hereof (other than in Section 4.1(p) hereof) shall be true and correct on and as of such date, as if made on and as of such date.

On the occurrence of each Credit Event, the City shall be deemed to have represented and warranted that the foregoing conditions precedent have been satisfied.

Section 3.4. No-Delivery Notice. The Bank may deliver a notice to the Delivery and Paying Agent in the form of Exhibit D hereto (a *"No-Delivery Notice"*) at any time that the Bank shall have determined that (i) a Default or Event of Default shall have occurred and be continuing or (ii) any representation or warranty of the City set forth in Article 4 hereof (other than in Section 4.1(p) hereof) shall, in the reasonable opinion of the Bank, no longer be true and correct in any material respect. Upon receipt of a No-Delivery Notice, the Delivery and Paying Agent shall cease authenticating Certificates, as provided in Section 3.01 of the Trust Agreement, unless and until such No-Delivery Notice is rescinded by the Bank. Any such No-Delivery Notice received after 10:00 a.m., on any day on which Certificates are being issued, shall be deemed to have been received on the next following Business Day. The Bank shall not incur any liability as a result of the Bank's giving of any No-Delivery Notice which, in its good faith judgment, the Bank determines to be in accordance with this Section 3.4. Notwithstanding anything in this Section 3.4 which may be to the contrary, a No-Delivery Notice shall not affect the obligation of the Bank to honor demands for payment hereunder with respect to Certificates authenticated prior to the receipt by the Delivery and Paying Agent of such No-Delivery Notice, and the Delivery and Paying Agent shall continue to have the right to request Revolving Loans hereunder to pay the principal and accrued interest with respect to maturing Certificates authenticated prior to the receipt by the Delivery and Paying Agent of such No-Delivery Notice. A No-Delivery Notice may be given by facsimile or electronic mail transmission, confirmed in writing within 24 hours, but the failure to so confirm such No-Delivery Notice in writing shall not render such No-Delivery Notice ineffective. The Bank will furnish a copy of any No-Delivery Notice to the City and the Dealer promptly following delivery thereof to the Delivery and Paying Agent, but the failure to furnish any such copy shall not render ineffective such No-Delivery Notice.

Section 3.5. Conditions Precedent to Each Certificate Issuance. No Certificate shall be issued unless on the date of such issuance, each of the following conditions precedent shall have been fulfilled in a manner satisfactory to the Bank (or waived by the Bank in writing):

(a) *Representations and Warranties, No Event of Default.* The representations and warranties contained herein, each other Related Document and each certificate or other writing delivered to the Bank pursuant hereto or thereto on or prior to the date of such issuance shall be correct on and as of such date as though made on and as of such date and

no Event of Default or Default shall have occurred and be continuing on such date or would result from such issuance.

(b) *Certificates.* All conditions precedent for the issuance of the Certificates hereunder and under the Trust Agreement and the Delivery and Paying Agent Agreement shall have been satisfied.

(c) *Sublease.* The Sublease shall be in full force and effect.

(d) *Governmental Approvals.* No registration, notice, qualification or other filing is required to be made with any Governmental Authority in connection with the issuance of the Certificates or, if required to be made, has been or will be made prior to the date of such issuance.

(e) *No-Delivery Notice.* The Delivery and Paying Agent shall not have received a No-Delivery Notice.

(f) *Available Commitment.* After the issuance of the Certificates, the aggregate principal amount of all Loans and Certificates that will be outstanding immediately after such issuance will not exceed the amount of the Available Commitment.

(g) *Initial Tax-Exempt Certificates.* Prior to the initial issuance of Tax-Exempt Certificates commencing on May 15, 2023 and every eighteen (18) months thereafter , the Bank shall have received a letter addressed to the Bank from Jones Hall, A Professional Law Corporation, Special Counsel, entitling the Bank to rely on such firm's approving opinion addressed to the City with respect to the exemption of interest on the Tax-Exempt Certificates from the gross income of the recipients thereof for federal income tax purposes.

Unless the City shall have previously advised the Bank in writing that one or more conditions set forth in subsections (a), (b), (c), (d) and (f) of this Section 3.5 have not been satisfied, the City shall be deemed to have represented and warranted that on the date of such issuance or authentication of any Certificate the above conditions have been satisfied.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1. City Representations and Warranties. The City represents and warrants that, as of the date on which this Agreement is executed and as of the date of each Revolving Loan made hereunder and on each Term Loan Conversion Date:

(a) *Existence*. The City is validly existing as a charter city and county duly organized and created and validly existing under the laws and Constitution of the State, with full right and power to own its properties and to carry on its affairs as now being conducted and to cause the execution and delivery of the Certificates, to pledge the security

and to execute, deliver and perform its obligations under this Agreement and each Related Document to which it is a party.

(b) *Authorization; Contravention*. The execution, delivery and performance by the City of this Agreement, the Revolving Bank Certificate and the other Related Documents to which it is a party are within the City's powers, have been duly authorized by all necessary action, require no further consent or action by or in respect of, or filing with, any governmental body, agency, official or other Person and do not violate or contravene, or constitute a default under, any provision of applicable law, charter, ordinance or regulation or of any material agreement, judgment, injunction, order, writ, determination, award, decree or instrument binding upon the City or by which the City or its properties may be bound or affected, or result in the creation or imposition of any lien or encumbrance on any asset of the City (other than pursuant to such enumerated documents). The City is not a party to, or otherwise subject to, any provision contained in any instrument evidencing indebtedness of the City, any agreement relating thereto, or any other contract or agreement (including its charter) that limits the amount of, or otherwise imposes restrictions on, the incurring of obligations of the City that would materially and adversely affect the ability of the City to perform its obligations hereunder or under any other Related Documents to which it is a party.

(c) *Binding Effect*. Assuming due execution by the other parties thereto, this Agreement and the other Related Documents to which the City is a party each constitutes a valid, binding and enforceable agreement of the City, subject to applicable laws affecting creditors' rights generally and general principles of equity regardless of whether such enforceability is considered in a proceeding at law or in equity.

(d) *No Default*. The City is not, in any material respect, in breach of or default under its organizational documents, or any applicable law or administrative regulation of the State or of the United States, relating, in each case, to the transactions contemplated hereby or by the other Related Documents, or any applicable judgment, decree, loan agreement, note, resolution, ordinance or other material agreement to which it is a party or is otherwise subject. Late delivery of financial statements or other reporting documentation shall not be deemed material for purposes of this Section.

(e) *Litigation*. Except as disclosed in writing to the Bank prior to the Effective Date, there is no action, suit or proceeding pending with service of process having been accomplished against, or to the knowledge of the City, threatened in writing against or affecting, the City before any court or arbitrator or any governmental body, agency or official seeking to restrain or enjoin the sale, execution or delivery of the Certificates or in any way contesting or affecting the validity of the Certificates or in which there is a reasonable possibility of an adverse decision which could have a material adverse effect on (i) the ability of the City to perform its obligations hereunder or under the Related Documents to which it is a party or (ii) the enforceability or validity of the Trust Agreement or any of the other Related Documents.

(f) *No Sovereign Immunity*. The City does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations hereunder or under any Related Document to which it is a party or by which it is bound.

(g) *Incorporation of Representations and Warranties by Reference*. The City hereby makes to the Bank the same representations and warranties made by the City as are set forth in the Related Documents (other than this Agreement) to which it is a party, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference with the same effect as if each and every such representation and warranty and defined term were set forth herein in its entirety. No amendment to such representations and warranties or defined terms made pursuant to the Related Documents (other than this Agreement) to which it is a party shall be effective to amend such representations and warranties and defined terms as incorporated by reference herein without the consent of the Bank.

(h) *No Proposed Legal Changes*. There is no amendment, or, to the knowledge of the City, no proposed amendment certified for placement on a statewide ballot, to the Constitution of the State of California or any published administrative interpretation of the Constitution of the State of California or any State of California law, or any legislation that has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, the effect of which is to materially adversely affect (i) the execution and delivery of this Agreement or the other Related Documents to which the City is a party, or (ii) the performance by the City of its obligations under this Agreement or the other Related Documents to which the City is a party.

(i) *Offering Memorandum*. The information contained in the Offering Memorandum under the heading "THE CITY AND COUNTY OF SAN FRANCISCO," as of the Effective Date, and as of the date of each execution and delivery of Certificates under the Trust Agreement, does not contain any untrue statement of any material fact.

(j) *Title to Property; Sublease*. The City has good and marketable fee simple title to all of the Components, subject only to Permitted Encumbrances. The Sublease is in full force and effect. The City, as lessee under the Sublease, is in peaceable possession of the Property. No waiver, indulgence or postponement of any of the City's obligations under the Sublease has been granted by the Trustee. There exists no event of default or event, occurrence, condition or act that, with the giving of notice, the lapse of time or the happening of any further event or condition, would become a default under the Sublease.

(k) *Disclosure*. Except as disclosed in writing to the Bank prior to the Effective Date, there is no fact known to the City, as of the date this representation is made, that would have a material adverse effect on (i) the ability of the City to perform its obligations hereunder or under the other Related Documents to which it is a party or (ii) the enforceability or validity of any of the Related Documents.

(l) *Financial Information*. The consolidated statement of financial position of the City as of June 30, 2021, as well as each Annual Comprehensive Financial Report

(*"ACFR"*) of the City as of any more recent date, delivered to the Bank pursuant to this Agreement (the *"Submitted Financial Statements"*), were prepared in accordance with GAAP consistently applied throughout the periods involved and fairly present the financial condition of the City as at such date and the results of the operations of the City for the period ended on such date, all in accordance with GAAP consistently applied, and since the date of such financial information, there has been no change in the business, financial condition, results of operations, or prospects of the City which would materially and adversely affect the ability of the City to perform its obligations hereunder or under any other Related Documents to which it is a party which has not been disclosed by the City to the Bank.

(m) *Legal Matters*. The City is in material compliance with all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction over the City, non-compliance with which would materially and adversely affect the ability of the City to perform its obligations hereunder or under any other Related Documents to which it is a party.

(n) *Environmental Matters*. In the ordinary course of its business, the City conducts an ongoing review of Environmental Regulations on the business, operations and properties of the City, in the course of which it identifies and evaluates associated liabilities and costs (including, without limitation, any capital or operating expenditures required for clean-up or closure of properties presently or previously owned or operated, any capital or operating expenditures required to achieve or maintain compliance with environmental protection standards imposed by law or as a condition of any license, permit or contract, any related constraints on operating activities, including any periodic or permanent shutdown of any facility or reduction in the level of or change in the nature of operations conducted thereat and any actual or potential liabilities to third parties, including employees, and any related costs and expenses). On the basis of such review the City has reasonably concluded that Environmental Regulations are unlikely to have a material adverse effect on the Property or the ability of the City to pay any Base Rental or Additional Rental or any of its obligations hereunder or under any other Related Document.

(o) *Regulations T, U and X*. The City is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation T, U or X issued by the Board of Governors of the Federal Reserve System); and no proceeds of any Certificates or any Loans will be or have been used to extend credit to others for the purpose of purchasing or carrying any margin stock.

(p) *ERISA*. Other than as disclosed in writing to the Bank prior to the Effective Date, the City does not maintain or contribute to, and has not maintained or contributed to, any Plan that is subject to Title IV of ERISA and does not have any underfunded pension liabilities the effect of which could reasonably be expected to result in a material adverse effect on the City's ability to satisfy its obligations under this Agreement or the other Related Documents.

(q) *No Tax or Fee*. Neither the execution or delivery of this Agreement or the advance of any amounts pursuant to this Agreement will give rise to any tax or fee imposed by any local or state agency or governmental body.

(r) *Usury*. The terms of this Agreement and the Related Documents regarding calculation and payment of interest and fees do not violate any applicable usury laws.

(s) *Essentiality*. The Property is an essential asset of the City necessary to serve the needs of the residents of the City. The City believes that at all times while any rental payments or any obligation of the City under the Related Documents remains unpaid, the Property will remain an essential asset of the City.

(t) *Fair Rental Value*. The total Maximum Base Rental for the Property does not exceed the fair rental value of the Property. In making such determination of fair rental value, consideration has been given to the uses and purposes which may be served by the Property and the benefits therefrom which will accrue to the City and the general public.

(u) *Anti-Terrorism Laws*. The City is not in violation of any Laws relating to terrorism or money laundering (*"Anti-Terrorism Laws"*), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the *"Executive Order"*), and the Patriot Act;

(i) The City is not any of the following:

(A) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(B) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(C) a Person with which the Bank is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(D) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or

(E) a Person that is named as a "specially designated national and blocked person" on the most current list published by the Office of Foreign Asset Control (*"OFAC"*) or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list; and

(ii) to the best of the City's knowledge, the City (A) does not conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (i) above,

(B) does not deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (C) does not engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempt to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(v) *Additional Rental.* All Obligations of the City hereunder, other than the principal of and interest on the Loans, shall be paid as Additional Rentals pursuant to Section 3.1(h) of the Sublease.

(w) *Anti-Corruption Laws; Anti-Money Laundering Laws and Sanctions*. (i) None of (1) the City or, to the knowledge of the City, the members of the Board of Supervisors or any of the City's officers or employees, or (2) any agent or representative of the City that will act in any capacity in connection with or benefit from this Agreement or the Revolving Loans made hereunder, (A) is a Sanctioned Person or currently the subject or target of any Sanctions, (B) has its assets located in a Sanctioned Country, (C) is under administrative, civil or criminal investigation for an alleged violation of, or received notice from or made a voluntary disclosure to any governmental entity regarding a possible violation of, Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions by a governmental authority that enforces Sanctions or any Anti-Corruption Laws or Anti-Money Laundering Laws, or (D) directly or indirectly derives revenues from investments in, or transactions with, Sanctioned Persons.

(ii) The City has implemented and maintains in effect policies and procedures designed to ensure compliance by the City and its directors, officers, employees and agents with all Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions.

(iii) The City, and to the knowledge of the City, each director, officer, employee and agent of the City, is in compliance with all Anti-Corruption Laws, Anti-Money Laundering Laws in all respects and applicable Sanctions.

(iv) No proceeds of any Revolving Loan have been used, directly or indirectly, by the City or any of its officers, employees and agents in violation of Section 5.1(r)(ii) hereof.

ARTICLE V

COVENANTS

Section 5.1. Covenants Not Subject to Cure Period. The City agrees that so long as any amounts may be drawn hereunder or any amount payable hereunder remains unpaid:

(a) *No Amendment Without Consent of the Bank.* Without the prior written consent of the Bank, the City will not agree or consent to any amendment, supplement,

waiver or modification of any provision of any Related Document to which the City is a party that affects the rights, interests, security or remedies of the Bank hereunder.

(b) *Outstanding Certificates Plus Interest Thereon Not to Exceed Available Commitment; No-Delivery after Receipt of No-Delivery Notice.* (i) The City will instruct the Delivery and Paying Agent not to authenticate or deliver any Certificate if, immediately after the authentication and delivery of, and receipt of payment for, such Certificate, the sum of (A) the face value of all discount Certificates and (B) the principal amount of all outstanding non-discount Certificates plus all interest to accrue on such non-discount Certificates to the maturity date thereof, would exceed the Available Commitment.

(ii) The City shall not instruct the Delivery and Paying Agent to authenticate or deliver any Certificate if the Delivery and Paying Agent has received a No-Delivery Notice unless and until such No-Delivery Notice is rescinded.

(c) *Other Obligations*. The City will comply with and observe all other obligations and requirements set forth in the Trust Agreement and each other Related Document to which it is a party (including without limitation all provisions therein for the benefit of the Bank) in all material respects and in all laws, statutes and regulations binding upon it, noncompliance with which would materially adversely affect the City's ability to perform its obligations under the Certificates, this Agreement or any of the Related Documents.

(d) *Dealer(s); Trustee; Delivery and Paying Agent.* The City will not, without the prior written consent of the Bank (which consent shall not be unreasonably withheld or delayed), appoint or permit the appointment of a successor Dealer or Delivery and Paying Agent. The City shall at all times maintain one or more Dealers and a Trustee and a Delivery and Paying Agent under the Trust Agreement. The City shall at all times cause each Dealer and the Delivery and Paying Agent to market, issue, and deliver, as applicable, Certificates up to the Maximum Rate. If any Reimbursement Obligation remains outstanding and any Dealer fails to sell the Certificates for sixty (60) consecutive days, then the City shall, at the written request of the Bank, cause the applicable Dealer to be replaced with a Dealer reasonably satisfactory to the Bank. Any dealer agreement with a successor Dealer shall provide that (a) such Dealer may resign upon at least 60-days' prior written notice to the City, Delivery and Paying Agent and the Bank and (b) such Dealer shall use its best efforts to sell the Certificates up to the Maximum Rate.

(e) *Limitation on Voluntary Liens.* The City shall not create a pledge, lien or charge on any part of the Property or the Pledged Property, other than the lien in favor of holders of the Certificates and the Bank.

(f) *City to Maintain Existence.* The City agrees that it will maintain its existence as a charter city and county under the laws and Constitution of the State of California.

(g) *No Impairment.* The City will not take any action, or cause or permit the Trustee or the Delivery and Paying Agent to take any action, under the Trust Agreement, the Sublease or any other Related Document inconsistent with the rights and remedies of the Bank under this Agreement.

(h) *Additional Obligations.* The City will not issue or authorize the issuance of any obligations payable from Base Rental or Additional Rental due under the Sublease other than the Certificates and the Revolving Bank Certificate.

(i) *References to the Bank.* The City shall not refer to any financial information or ratings with respect to the Bank in any official statement, offering memorandum, private placement memorandum or any similar offering document (or any amendment or supplement to an official statement, offering memorandum, private placement memorandum or any similar offering document) or make any changes in reference to any financial information or ratings with respect to the Bank in any official statement, offering memorandum, private placement memorandum or any similar offering document (or any amendment or supplement to an official statement, offering memorandum, private placement memorandum or any similar offering document) without the prior written consent of the Bank (the Bank hereby giving its written consent to the reference to it in the Offering Memorandum as in effect on the Effective Date to the extent the same conforms to information provided by the Bank for inclusion in the Offering Memorandum). For the avoidance of doubt, the City may identify (i) the Bank as a party to this Agreement, (ii) the Available Commitment and (iii) the expiration date of this Agreement in official statements, offering memoranda, private placement memoranda or any similar offering documents with respect to Lease Obligation Debt, so long as no other information relating to this Agreement, the Fee Agreement or the Bank is disclosed in such official statements, offering memoranda, private placement memoranda or any similar offering documents without the prior written consent of the Bank.

(j) *Title Insurance.* Title insurance shall be provided and maintained in the manner and in form and substance as set forth in the Sublease; *provided* that notwithstanding anything contained in the Sublease or any other Related Document to the contrary, any policy of title insurance shall be subject only to such exceptions as shall be acceptable to the Bank, with such endorsements and affirmative coverages as may be reasonably required by the Bank, including endorsements regarding zoning and access to public roads, and otherwise in form and substance satisfactory to the Bank and its counsel and issued by an insurance company acceptable to the Bank and its counsel and authorized to issue such insurance in the State.

(k) *Maintenance of Insurance.* Insurance shall be provided and maintained in the manner and in form and substance as set forth in the Sublease.

(l) *Covenants and Legal Duties.* (i) Subject to Section 3.1(g) of the Sublease, the City agrees to include all Minimum Required Rental Payments due under the Sublease in each Fiscal Year in its annual budget and to make the necessary annual appropriations for all such Minimum Required Rental Payments, subject to Section 3.5 of the Sublease.

(ii) Subject to Section 3.1(g) of the Sublease, the City agrees to include all Additional Rental due under the Sublease in each Fiscal Year in its annual budget and to make the necessary annual appropriations for all such Additional Rental and for all Minimum Supplemental Rental Payments, if any, subject to Section 3.5 of the Sublease.

(iii) The covenants on the part of the City herein contained and in the Sublease shall be deemed to be and shall be construed to be duties imposed by law, and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform such covenants and agreements.

(m) *Use of Loan Proceeds.* The City shall cause the Delivery and Paying Agent to use the proceeds of Loans made hereunder solely to pay the principal and interest with respect to maturing Certificates.

(n) *Ratings.* The City shall give written notice to the Bank as soon as practicable of the increase, decrease, withdrawal or suspension of any rating maintained by Moody's, Fitch or S&P, to the extent such Rating Agency is then maintaining a rating on Lease Obligation Debt, in respect of the City's unenhanced Lease Obligation Debt, unless such rating is terminated due to the payment in full of such certificates of participation; *provided* that the requirement to provide such notice shall be satisfied if such information is publicly available on the Electronic Municipal Market Access system maintained by the Municipal Securities Rulemaking Board. The City shall cause to be maintained at all times long-term unenhanced ratings on its Lease Obligation Debt from at least two (2) of Moody's, Fitch and S&P. The City shall not withdraw any rating by any Rating Agency on the City's unenhanced Lease Obligation Debt in order to cure any Event of Default or reduce the Commitment Fee Rate then in effect.

(o) *Voluntary Rent Abatement.* Except as required by law and the terms of the Sublease, the City shall not seek or assert a claim for abatement of rental payments under the Sublease.

(p) *Immunity.* To the fullest extent permitted by law, the City agrees not to assert the defense of immunity (on the grounds of sovereignty or otherwise) in any proceeding by the Bank to enforce any of the obligations of the City under this Agreement or any other Related Document.

(q) *Swap Agreements.* In no event shall the City enter into a Swap Contract with a claim on the General Fund of the City with any swap counterparty rated lower than "A" (or its equivalent) by any one of Fitch, S&P or Moody's at the time of entering into such Swap Contract, without the prior written consent of the Bank,

(r) *Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions; Use of Proceeds.* (i) The City shall maintain in effect and enforce policies and procedures designed to ensure compliance by the City and its officers, employees and agents with all Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions.

(ii) The City shall not request any Revolving Loan, and the City shall not use, and shall ensure that its officers, employees and agents shall not use, the proceeds of any Revolving Loans, directly or indirectly, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or Anti-Money Laundering Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto

Section 5.2. Covenants Subject to Cure Period. The City agrees that so long as any amounts may be drawn hereunder or any amount payable hereunder remains unpaid:

(a) *Information*. The City will prepare or cause to be prepared and deliver to the Bank the following:

(i) as promptly as available, and in any event no later than 270 days after the end of each fiscal year of the City, commencing with the fiscal year ended June 30, 2022, the complete ACFR of the City, certified as to the fairness of presentation and conformity with GAAP consistently applied, by a recognized firm of independent certified public accountants;

(ii) concurrently with the delivery of the financial statements delivered to the Bank pursuant to (a)(i) above, a certificate from an Authorized Representative certifying that such Authorized Representative has no knowledge of any event which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both, that has occurred and is continuing and a certificate from an Authorized Representative of the City certifying that such Authorized Representative has no knowledge of any event which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both, that has occurred and is continuing;

(iii) within ninety (90) days of adoption of the most recently adopted annual operating budget of the City with respect to the City's General Fund, evidence that such annual operating budget with respect to the City's General Fund includes therein as a separate line item all Minimum Required Rental Payments and Additional Payments due during such period, if not otherwise paid from capitalized interest funded by proceeds of the Certificates; and

(iv) such other information respecting the affairs, conditions and/or operations, financial or otherwise, of the City or the Property, as the Bank may from time to time reasonably request.

All factual information hereinafter delivered by City in writing to the Bank will be, to the knowledge of the authorized person delivering such information after reasonable inquiry,

accurate and complete in all material respects on the date as of which such information is certified.

(b) *Incorporation of Covenants by Reference.* The City agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Related Documents to which it is a party, which provisions, as well as related defined terms contained herein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety. To the extent that any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to any Person, for purposes of this Agreement, such provision shall be complied with only if it is waived or consented to by the Bank and such document, opinion or other instrument shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Bank.

(c) *Defaults.* The City will promptly (and in any event within five Business Days) notify the Bank of the occurrence of any Default or Event of Default specifying the details of such Default or Event of Default or event of default and the action that the City proposes to take with respect thereto.

(d) *Books, Records.* The City will permit, during normal business hours and from time to time, upon reasonable prior notice, the Bank or any of its agents or representatives to examine and make copies of and abstracts from the records and books of account of the City (except records and books of accounts the examination of which by the Bank is prohibited by law), and to discuss the affairs, finances and accounts of the City with any representative or any other appropriate officer of the City or the City's independent public accountants. Without limiting the foregoing, upon reasonable prior notice the City shall permit the Bank to visit and inspect any of the Property during regular business hours as often as the Bank may reasonably request.

(e) *Litigation; Material Change.* The City shall promptly notify the Bank of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, or (ii) the occurrence of any other event or change which could have a material adverse effect on (A) the ability of the City to perform its obligations hereunder or under the other Related Documents or (B) the enforceability or validity of the Trust Agreement or any of the other Related Documents.

(f) *Obligations under Related Documents.* The City shall take all actions as may be reasonably requested by the Bank to enforce the obligations under the Related Documents of each of the other parties thereto.

(g) *Limitation on Voluntary Liens.* The City covenants to keep the Components and all parts thereof free from judgments, and materialmen's and mechanics' liens, claims, demands, encumbrances, liabilities and other liens of whatever nature or character, which, in each case, might hamper the City in utilizing the Components; and promptly, upon request of the Bank, to take such action from time to time as may be reasonably necessary

or proper to remedy or cure any cloud upon or defect in the title to the Components or any part thereof, whether now existing or hereafter developing, to prosecute all actions, suits, or other proceedings as may be reasonably appropriate for such purpose.

(h) *Further Assurances.* The City will execute, acknowledge where appropriate, and deliver from time to time promptly at the request of the Bank all such instruments and documents as in the opinion of the Bank are reasonably necessary or desirable to carry out the intent and purposes of this Agreement.

(i) *Alternate Credit Facility.* The City agrees to use its best efforts to obtain an Alternate Credit Facility for this Agreement in the event that (A) the Bank decides not to extend the Stated Expiration Date (such replacement to occur on the then current Stated Expiration Date), (B) any Revolving Loan made hereunder converts to a Term Loan or (C) this Agreement shall otherwise terminate in accordance with its terms.

(j) *ERISA.* The City will comply in all material respects with Title IV of ERISA, if, when and to the extent applicable.

(k) *Swap Agreements.* (i) The City will use its best efforts to enter into all future Swap Contracts with a claim on the General Fund of the City with counterparties rated "AA-" (or its equivalent) or better by at least one Fitch, S&P or Moody's.

(l) *Future Credit Facilities.* (i) In the event that the City shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement, which such Bank Agreement provides such Person with additional or more restrictive covenants, additional or more restrictive events of default, shorter amortization periods with respect to term outs and/or rights or remedies than are provided to the Bank in this Agreement or a maximum rate with respect to the obligations under the related Bank Agreement in excess of 12% per annum (any such right, an *"Additional Right"*), any such Additional Right shall automatically be deemed to be incorporated into this Agreement and the Bank shall have the benefits of such Additional Right. Upon the request of the Bank, the City shall promptly, enter into an amendment to this Agreement to include such Additional Right, *provided* that the Bank shall maintain the benefit of such Additional Right even if the City fails to provide such amendment. Notwithstanding the foregoing, no Additional Right (except for those relating to shorter amortization periods with respect to term outs or a maximum rate as described further below) shall be incorporated by reference into this Agreement, and the City shall have no obligation to enter into an amendment to include any such Additional Right, if the related Bank Agreement is entered into by the City after the four (4) month anniversary of the Effective Date; except that any Additional Right relating to shorter amortization periods with respect to term outs or a maximum rate with respect to the obligations under the related Bank Agreement in excess of 12% per annum shall be incorporated herein by reference pursuant to this Section 5.2(l), and the City shall enter into an amendment hereto to include such Additional Right, no matter when such Bank Agreement is entered into. If the City shall amend the related Bank Agreement such that it no longer provides for such Additional Right, then, without the consent of the Bank

this Agreement shall be deemed to automatically no longer contain the related Additional Right and the Bank shall no longer have the benefits of any such Additional Right.

(ii) Notwithstanding anything to the contrary set forth in this Agreement, (1)(x) the obligations of the Bank hereunder may not be immediately terminated or suspended other than as a result of a Special Event of Default or a Suspension Event (in each case, as such terms are defined as of the Effective Date or as amended pursuant to any amendment hereto in accordance with this Section 5.2(l) and Section 7.1 hereof) and (y) no additional condition precedent, or modification of any existing condition precedent, to the extension of Revolving Loans may be added to Section 3.2 hereof, in each case, in connection with any such amendment, unless (2) (a) the then-current ratings on the Certificates (and the City shall use its best efforts to cause each such Rating Agency to provide a rating confirmation prior to the date on which the related Bank Agreement becomes effective) shall have been confirmed by each Rating Agency then rating the Certificates and (b) such amendment shall only become effective on a date on which all Certificates have matured (and the City shall (x) use its best efforts to cause any Certificates outstanding on and after the date on which the related Bank Agreement becomes effective to be rolled only to the maturity date of the longest maturity date of any outstanding Certificates on the date on which the related Bank Agreement becomes effective and (y) update the Offering Memorandum with respect to the related changes prior to offering Certificates after such date with the amendments).

(iii) The City shall not, directly or indirectly, enter into or otherwise consent to any Bank Agreement, which such Bank Agreement provides the counterparty thereto with additional or more restrictive events of default or additional or modified conditions precedent the remedy for which, or the result of which, is in an immediate termination or suspension of the obligations of the related provider than are provided to the Bank in this Agreement or which are incorporated into this Agreement pursuant to an amendment referred to in Section 5.2(l)(i) hereof.

(m) *Fair Rental Value*. In the event the aggregate fair rental value of all of the Components is less than the aggregate principal of and interest on all Term Loans (or Default Advances if such Term Loans have been converted to Default Advances under Section 2.6(c) hereof) outstanding in any calendar year, the City will use its best efforts to either (i) take all steps necessary to seek an appropriation from the City's General Fund in an amount equal to such difference between the aggregate principal of and interest on all Term Loans (or Default Advances if such Term Loans have been converted to Default Advances under Section 2.6(c) hereof) outstanding and such fair rental value and use such appropriation to prepay the Term Loans (or Default Advances if such Term Loans have been converted to Default Advances under Section 2.6(c) hereof) or (ii) obtain an Alternate Credit Facility to replace the Bank's obligations hereunder or to otherwise refinance the Certificates.

(n) *Tax-Exempt Certificates.* The City shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the tax-exempt status of any Certificate issued as tax-exempt.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.1. Special Events of Default. The occurrence of any of the following events shall be both an "Event of Default" and a "Special Event of Default" hereunder:

(a) the City shall fail to pay any Reimbursement Obligation or interest thereon as and when due hereunder (but excluding (i) any failure to pay any Reimbursement Obligation accelerated in accordance with Section 6.4 hereof for any reason other than nonpayment thereof as described in this Section 6.1(a) and (ii) any failure to pay any Reimbursement Obligation solely because the amount of such unpaid Reimbursement Obligation exceeds the fair rental value with respect to the Components subject to the Sublease for such Base Rental Period);

(b) The City shall default in the performance of any of the covenants set forth in Section 5.1(f) or 5.1(l)(i) hereof;

(c) The City shall fail to pay when due and payable any principal of or interest on any Special Lease Obligation Debt (including, in each case, without limitation, any principal or sinking fund installments but excluding a failure to pay any amount of Special Lease Obligation Debt described in clause (v) of the definition of "Special Lease Obligation Debt" herein which has been accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or other similar instrument for any reason other than nonpayment thereof), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning the Special Lease Obligation Debt; or any failure to pay the principal of or interest on any Special Lease Obligation Debt under any indenture, contract or instrument providing for the creation of or concerning such Special Lease Obligation Debt shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay the principal of or interest on any Special Lease Obligation Debt is to accelerate, or to permit the acceleration of, the maturity of such Special Lease Obligation Debt;

(d) The City shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall declare a moratorium on any Special Lease Obligation Debt, or shall take any action to authorize any of the foregoing; or any Governmental Authority of appropriate jurisdiction shall declare a moratorium with respect to the Certificates, the Obligations and/or all of the debt of the

City payable from and/or secured by lease revenue rental payments payable from the General Fund of the City;

(e) (i) A case or other proceeding shall be commenced against the City (x) seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or (y) seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or any writ, judgment, warrant of attachment, execution or similar process against all or any substantial part of its assets, and such involuntary case shall remain undismissed and unstayed for a period of sixty (60) days; or (ii) an order for relief shall be entered against the City or under the federal bankruptcy laws as now or hereafter in effect, or any writ, judgment, warrant of attachment, execution or similar process shall be issued or levied against a substantial part of the property, assets or business of the City, and such proceedings or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be stayed, released, appealed, vacated or fully bonded, within the time permitted by law after commencement, filing or levy, as the case may be;

(f) (i) Any provision of this Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement, or the Trust Agreement related to the payment of principal or interest with respect to the Certificates or the Revolving Bank Certificate or the pledge of the Pledged Property shall at any time for any reason cease to be valid and binding or enforceable on the City as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of this Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement or the Trust Agreement related to the payment of principal or interest with respect to the Certificates or the Revolving Bank Certificate or the pledge of the Pledged Property shall be publicly contested in writing by an authorized officer of the City or (b) any Governmental Authority having appropriate jurisdiction over the City shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any provision of this Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement or the Trust Agreement related to the payment of principal or interest with respect to the Certificates or the Revolving Bank Certificate or the pledge of the Pledged Property, or (c) an authorized officer of the City shall publicly deny in writing that it has any or further liability or obligation under this Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement or the Trust Agreement;

(g) The long-term unenhanced rating assigned by Moody's, Fitch and S&P (to the extent such Rating Agencies are then maintaining a rating on Lease Obligation Debt) to any Lease Obligation Debt which is senior to or on a parity with the Certificates and the Revolving Bank Certificate shall be withdrawn or suspended, in either case, for credit related reasons or reduced below "Baa3" (or its equivalent), "BBB-" (or its equivalent) and "BBB-" (or its equivalent), respectively; or

(h) One or more final, nonappealable judgments or orders for the payment of money in the aggregate amount of $25,000,000 or more shall be rendered against the City and such judgment or order shall continue unsatisfied and unstayed for a period of sixty (60) days.

Section 6.2. Default Constituting a Suspension Event. Any Default with respect to any of the following events shall constitute a *"Suspension Event"* under this Agreement:

(a) A case or other proceeding shall be commenced against the City (x) seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or (y) seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or any writ, judgment, warrant of attachment, execution or similar process against all or any substantial part of its assets, and such involuntary case shall remain undismissed and unstayed for a period of sixty (60) days; or

(b) an order for relief shall be entered against the City or under the federal bankruptcy laws as now or hereafter in effect, or any writ, judgment, warrant of attachment, execution or similar process shall be issued or levied against a substantial part of the property, assets or business of the City, and such proceedings or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be stayed, released, appealed, vacated or fully bonded, within the time permitted by law after commencement, filing or levy, as the case may be.

Section 6.3. Events of Default Not Constituting Special Events of Default. In addition to the Events of Default set forth in Section 6.1 hereof, the occurrence of any of the following events shall also constitute be an *"Event of Default"* hereunder, but shall not constitute a *"Special Event of Default"* hereunder:

(a) the City shall fail to pay (i) any Reimbursement Obligation or interest thereon as and when due hereunder (including, without limitation, (A) any failure to pay any Reimbursement Obligation accelerated in accordance with Section 6.4 hereof for any reason and (B) any failure to pay any Reimbursement Obligation because the unpaid amount of such Reimbursement Obligation exceeds the fair rental value with respect to the Components subject to the Sublease for such Base Rental Period); (ii) any fee set forth in Section 1.1, 1.2 or 1.3 of the Fee Agreement as and when due hereunder or thereunder and the continuance of such failure for a period of three (3) Business Days, (iii) any other Obligation (other than Obligations specified in Section 6.1(a) or clause (i) or (ii) of this Section 6.3(a)) as and when due hereunder and the continuance of such failure for a period of thirty (30) days after written notice thereof or (iv) the principal of any Certificate when due, but in the case of this clause (iv) only, solely in the event a Suspension Event has occurred and is continuing;

(b) The City shall default in the performance of any of the covenants set forth in Section 5.1 hereof;

(c) The City shall default in the performance of any other term, covenant or agreement set forth herein and such failure shall continue for a period of thirty (30) days after the earlier to occur of (i) written notice thereof shall have been given to the City by the Bank or (ii) the tenth (10th) day after the Controller of the City shall have actual knowledge of such default;

(d) Any representation, warranty, certification or statement made by the City (or incorporated by reference) in this Agreement or by the City in any other Related Document or in any certificate, financial statement or other document delivered pursuant to this Agreement or any other Related Document shall prove to have been incorrect in any material respect when made or deemed made;

(e) the City shall (A) fail to make any payment on any Material City Debt (other than the Certificates or as set forth in clause (i) of this paragraph (e)) or any interest or premium thereon when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Material City Debt; or (B) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any Material City Debt when required to be performed or observed, and such failure shall not be waived and shall continue after the later of (1) five (5) Business Days after notice of such failure or (2) the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to perform or observe is to accelerate the maturity of such Material City Debt; or (C) any Material City Debt shall be declared to be due and payable or be required to be prepaid (other than by a regularly scheduled required prepayment or an optional prepayment), prior to the stated maturity thereof; *provided, however,* that in the case of clause (A) or (B) any such failure shall not be considered an Event of Default hereunder if the same is being contested in good faith and by appropriate proceedings and such contest shall operate to stay the acceleration of the maturity of such Material City Debt;

(f) The Trustee shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall declare a moratorium, or shall take any action to authorize any of the foregoing;

(g) (i) A case or other proceeding shall be commenced against the Trustee (x) seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or (y) seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or any writ, judgment, warrant of attachment, execution

or similar process against all or any substantial part of its assets, and such involuntary case shall remain undismissed and unstayed for a period of sixty (60) days; or (ii) an order for relief shall be entered against the Trustee under the federal bankruptcy laws as now or hereafter in effect, or any writ, judgment, warrant of attachment, execution or similar process shall be issued or levied against a substantial part of the property, assets or business of the Trustee, and such proceedings or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be stayed, released, appealed, vacated or fully bonded, within the time permitted by law after commencement, filing or levy, as the case may be;

(h) any provision of this Agreement or any Related Document other than a provision described in Section 6.1(f) hereof shall cease for any reason whatsoever to be a valid and binding agreement of the City or the Trustee, or the City or the Trustee shall contest the validity or enforceability thereof;

(i) Any pledge or security interest created hereunder or under the Trust Agreement to secure any amounts due under this Agreement shall fail to be valid or fully enforceable;

(j) An event of default shall occur under any of the Related Documents (other than this Agreement) or the City shall fail to make any payment under the Sublease when and as due;

(k) (i) Any long-term unenhanced rating assigned by Moody's, Fitch or S&P (to the extent such Rating Agency is then maintaining a rating on Lease Obligation Debt) to any Lease Obligation Debt shall be withdrawn, suspended or otherwise unavailable for credit related reasons, or (ii) any long-term unenhanced ratings assigned by Moody's, Fitch or S&P (to the extent such Rating Agency is then maintaining a rating on Lease Obligation Debt) on any Lease Obligation Debt shall be reduced below *"Baa1"* (or its equivalent), *"BBB+"* (or its equivalent) or *"BBB+"* (or its equivalent), respectively; *provided, however,* that, for purposes of Section 6.3(k)(ii) hereof, Lease Obligation Debt shall mean, (x) in the case of Moody's, if Moody's assigns different long-term unenhanced ratings to Lease Obligation Debt, such Lease Obligation Debt with the highest long-term unenhanced rating assigned by Moody's, (y) in the case of S&P, if S&P assigns different long-term unenhanced ratings to Lease Obligation Debt, such Lease Obligation Debt with the highest long-term unenhanced rating assigned by S&P, and (z) in the case of Fitch, if Fitch assigns different long-term unenhanced ratings to Lease Obligation Debt, such Lease Obligation Debt with the highest long-term unenhanced rating assigned by Fitch;

(l) Any Event of Default (or term of like meaning or effect) shall have occurred under any Bank Agreement related to any Lease Obligation Debt;

(m) The Internal Revenue Service declares the interest with respect to any Certificate issued as tax-exempt is not excludable from gross income for federal income tax purposes; or

(n) any Governmental Authority of appropriate jurisdiction shall declare a moratorium with respect to any of the debt of the City.

Section 6.4. Upon an Event of Default. If any Event of Default shall have occurred and be continuing, the Bank may declare the Revolving Bank Certificate, in whole or in part, all or some Reimbursement Obligations, as well as any other Obligation, and all interest thereon to be a Default Advance hereunder due and payable in the manner set forth in Section 2.6(c) hereof. Notwithstanding anything to the contrary contained in the preceding sentence, upon the occurrence or existence of an Event of Default of the type described in Section 6.1(d) or (e) hereof, the remedies described in the immediately preceding sentence shall occur immediately and automatically without notice or further action on the part of the Bank or any other person. Anything in Article 2 hereof the contrary notwithstanding, from and after the occurrence an Event of Default, all Obligations shall bear interest at the Default Rate.

Upon the occurrence of any Special Event of Default, the Commitment shall automatically and immediately terminate with respect to all outstanding Certificates and the Bank shall have no obligation to make any Revolving Loan.

Upon the occurrence of an Event of Default that is not a Special Event of Default, the Bank may, by notice to the City, terminate the Commitment (except as provided below), deliver a No-Delivery Notice to the Delivery and Paying Agent directing the Delivery and Paying Agent to cease issuing any Certificates, whereupon no additional Certificates shall be issued, the Available Commitment shall immediately be reduced to the then outstanding principal amount of Certificates, and the Available Commitment shall be further reduced in a similar manner as and when such Certificates mature; *provided* that the Commitment shall not terminate, and the right of the Bank to declare the Revolving Bank Certificate, in whole or in part, all or some Reimbursement Obligations, as well as any other Obligation, and all interest thereon to be a Default Advance hereunder due and payable in the manner set forth in Section 2.6 hereof shall not affect the obligation of the Bank to make Revolving Loans in an aggregate principal amount equal to the Commitment to the extent necessary for the City to make required payments of principal of the Certificates issued and sold prior to the date upon which the No-Delivery Notice is received by the Delivery and Paying Agent; *provided, further,* that if any Revolving Loan is made that would not have been made but for the application of the immediately preceding provision, such Revolving Loan shall be immediately due and payable on the date such Revolving Loan was made.

Upon the occurrence of a Default under Section 6.2 hereof, the obligation of the Bank to make Revolving Loans hereunder shall be automatically and immediately suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, the obligation of the Bank to make Loans hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligation of the Bank to make Loans hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no such suspension.

Failure to take action in regard to one or more Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Events of Default.

Nothing contained in Section 6.4 shall result in, or be construed to require, an acceleration of Base Rental under the Sublease and nothing contained in this Section 6.4 is intended to abrogate abatement of Base Rental made in accordance with the terms of the Sublease.

Section 6.5. Suits at Law or in Equity and Mandamus. If any Event of Default shall occur, then and in every such case the Bank shall be entitled to proceed to protect and enforce its rights by such appropriate judicial proceeding as it may deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the Bank by this Agreement, the Revolving Bank Certificate or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of the City shall be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Section 6.6. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by any Holder.

ARTICLE VII

MISCELLANEOUS

Section 7.1. Amendments and Waivers. No amendment, change, discharge or waiver of any provision of this Agreement, nor consent to any departure by the City therefrom, shall in any event be effective unless the same shall conform to the requirements of this Agreement and be in writing and signed by the Bank and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

No notice to or demand on the City in any case shall entitle the City to any other or further notice or demand in the same, similar or other circumstances.

Section 7.2. Notices. All notices and other communications provided for hereunder shall be in writing (including facsimiles) and mailed or faxed or delivered:

If to the City:

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

If to the Bank with respect to Loans under this Agreement:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking
Telephone: (628) 260-3382
Email: dale.r.barton@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Kavita Singh, Relationship Associate
Telephone: (415) 222-3394
Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

Wire instructions with respect to Facility or Other Fees:

Wells Fargo Bank N.A.
ABA#: 121000248
Acct Name: Denver WLS
Acct. No.: 00027124050720
Attention: Denver Wholesale Loan Operations
Ref: Account #City and County of San Francisco, **Obligor [___], Obligation [__]**

Wire instructions to Revolving Credit Agreement reimbursement of Loans:

Wells Fargo Bank N.A.
ABA#: 121000248
Acct Name: Denver WLS
Acct. No.: 00027124050720
Attention: Denver Wholesale Loan Operations
Ref: Account #City and County of San Francisco, **Obligor [___], Obligation [__]**

If to the Delivery and Paying Agent:

U.S. Bank Trust Company, National Association,
as Delivery and Paying Agent
100 Wall Street, 16th Floor
New York, New York 10005
Attention: Corporate Trust Division
Facsimile: (212) 361-6153
Telephone: (212) 951-8512

If to the Trustee:

U.S. Bank Trust Company, National Association,
as Trustee
One California Street, Suite 1000
San Francisco, California 94111
Attention: Corporate Trust Services
Facsimile: (415) 677-3769

or, as to each party, at such other address as shall be designated by such party in a written notice to the other party. All such notices and communications shall, when mailed or faxed, be effective when deposited in the mails or faxed, respectively, addressed as aforesaid, except that notice to the Bank pursuant to the provisions of Article II shall not be effective until received by the Bank.

Section 7.3. No Waiver; Remedies. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. No notice to or demand on the City in any case shall entitle the City to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of the Bank to any other or further action in any circumstances without notice or demand. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 7.4. Indemnification. (a) The City, to the extent permitted by law, hereby indemnify and hold the Bank, and its directors, officers, employees and agents (the *"Indemnified Parties"*) harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which such Indemnified Parties may incur or which may be claimed against such Indemnified Parties by any person, as well as to the extent set forth in Section 5.1(p) hereof or by reason of or in connection with (i) the offering, sale, remarketing or resale of the Certificates (including, without limitation, by reason of any untrue statement or alleged untrue statement of any material fact contained or incorporated by reference in the Related Documents or in any supplement or amendment to the Offering Memorandum or any similar disclosure document (other than in connection with a description of the Bank), or the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances in which they are or were made, not misleading (other than in connection with a description of the Bank)); (ii) the validity, sufficiency, enforceability or genuineness of any Related Document; (iii) the execution of this Agreement and the Fee Agreement or the use of any proceeds of Loans; (iv) the

execution, delivery and performance of this Agreement, or the making or the failure to honor a properly presented and conforming request for Loans hereunder; or (v) any Property; *provided, however,* that the City shall not be required to indemnify an Indemnified Party pursuant to this Section 7.4 for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Bank as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(b) To the extent not prohibited by applicable law, the City agrees to indemnify and hold the Bank harmless (on a net after-tax basis) from any present or future claim or liability for stamp, transfer, documentary, excise or other similar tax and any penalties or interest with respect thereto, which may be assessed, levied or collected by any jurisdiction in connection with the execution, delivery and performance of, or any payment made under, this Agreement, the Certificates and the other Related Documents, or any amendment thereto.

(c) *Waiver of Consequential Damages, Etc*. To the fullest extent permitted by applicable law (as to which no representation is made by the City), the City shall not assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby or the use of the proceeds of Loans made by the Bank hereunder. No Indemnified Party referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnified Party through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnified Party as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) *Payments*. All amounts due under this Section shall be payable not later than thirty (30) calendar days after demand therefor.

(e) *Survival*. The agreements in this Section shall survive the termination of this Agreement and the repayment, satisfaction or discharge of all the other Obligations.

Section 7.5. Liability of the Bank. Neither the Bank nor any of its officers, directors, employees or agents shall be liable or responsible for (i) the use which may be made of the proceeds of any Certificates or any Loans hereunder, (ii) the validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon (other than the validity as against the Bank of any agreement to which the Bank is a party), even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iii) the lack of validity or enforceability of this Agreement, the Certificates, any other Related Document or any other agreement or instrument relating thereto (other than the validity or enforceability as against the Bank of any agreement to which the Bank is a party), (iv) payment by the Bank against presentation of documents that do not comply strictly with the terms of this Agreement, including failure of any documents to bear any reference or adequate reference to this Agreement, (v) errors, omissions,

interruptions or delays in transmission or delivery of any messages, by telex, mail, cable, telegraph, facsimile or otherwise, whether or not they have been in cipher, including any Loans hereunder, (vi) errors in interpretation of technical terms, (vii) any consequences arising from causes beyond the control of the Bank, including, without limitation, any acts of governmental entities, or (viii) any other circumstances whatsoever in making or failing to make payment hereunder; *provided,* that the City shall have claims against the Bank, and the Bank shall be liable to the City to the extent of any direct, as opposed to consequential, special, punitive, exemplary or indirect damages suffered by the City which the City proves were caused by (i) the Bank's willful misconduct or gross negligence in determining whether any Notice of Loan presented under this Agreement complied with the terms thereof, or (ii) the Bank's willful failure to honor a properly presented and conforming Notice of Loan required to be honored by it hereunder. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information (other than actual knowledge to the contrary) to the contrary.

Section 7.6. Expenses; Documentary Taxes. The City shall pay or cause to be paid (a) fees and document production costs and disbursements of Chapman and Cutler LLP, special counsel for the Bank, in connection with the preparation of this Agreement and the Fee Agreement, (b) all reasonable out-of-pocket travel and other expenses incurred by the Bank in connection with this Agreement and the Fee Agreement, (c) all reasonable out-of-pocket expenses of the Bank, including fees and disbursements of counsel, in connection with any waiver or consent hereunder or any amendment hereof or any Default or alleged Default or Event of Default hereunder, and (d) all out-of-pocket expenses incurred by the Bank, including fees and disbursements of counsel, in connection with any Event of Default or any investigation or enforcement proceedings with respect to this Agreement or any Related Document. For the avoidance of doubt, the City shall be obligated to pay any and all fees required by CDIAC. The City shall reimburse the Bank for any transfer taxes, documentary taxes, assessments or charges made by any governmental authority by reason of the execution a delivery of this Agreement or any Related Document or the acquisition or disposition by the Bank of the Revolving Bank Certificate pursuant to this Agreement.

Section 7.7. Binding Effect. (a) This Agreement shall become effective when it shall have been executed by the City and the Bank and thereafter shall be binding upon and inure to the benefit of the City and the Bank and their respective successors and assigns, except that the City shall not have the right to assign its rights or obligations hereunder or any interest herein without the prior written consent of the Bank.

(b) The Bank shall have the right to grant participations from time to time (to be evidenced by one or more participation agreements or certificates of participation) in this Agreement and the Revolving Bank Certificate to one or more Participant Banks, *provided* that the grant of any such participation shall not terminate or otherwise affect any obligation of the Bank hereunder. Each Participant Bank purchasing such a participation shall in the discretion of the Bank have all rights of the Bank hereunder to the extent of the participation purchased, including, without limitation, the benefits of Sections 2.8, 7.4 and 7.6 hereof. In connection with the granting of participations, the Bank may disclose to any proposed participant any information that the City discloses pursuant to this Agreement. The Bank shall give notice to the City of any Participant Bank that is granted a participation pursuant to this Section 7.7(b).

(c) Any assignment by the Bank of its rights hereunder or any interests herein shall satisfy the conditions precedent to the acceptance of an Alternate Credit Facility under the Trust Agreement. Notwithstanding any other provision of this Agreement, the Bank may assign and pledge all or any portion of the obligations owing to it hereunder or under the other Related Documents to any Federal Reserve Bank or the United States Treasury, including, without limitation, as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned obligations made by the City to the Bank in accordance with the terms of this Agreement shall satisfy the City's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

(d) Notwithstanding any participation granted by the Bank pursuant hereto, the City shall continue to deal solely and exclusively with the Bank in connection with the respective rights and obligations of the City and the Bank hereunder and under the other Related Documents, the grant of such participation interest shall not limit the obligations of the Bank hereunder and the Bank will continue to serve as the only contact for the City for all matters relating to this Agreement.

Section 7.8. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 7.9. Governing Law; Jurisdiction; Waiver of Jury Trial. (a) This Agreement shall be governed by, and construed in accordance with, the internal laws of the State.

(b) Each of the parties hereto hereby submits to the exclusive jurisdiction of any federal or state court of competent jurisdiction in the State for the purpose of any suit, action or other proceeding arising out of or relating to this Agreement; service of process may be accomplished by registered mail, return receipt requested to each of the parties at the address listed for notice in Section 7.2 hereof.

(c) To the extent permitted by law, each of the City and the Bank irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or relating to legal claims based on the City's or the Bank's performance of its obligations under this Agreement or any other Related Document. If and to the extent that the foregoing waiver of the right to a jury trial is unenforceable for any reason in such forum, the City and the Bank hereby consent to the adjudication of any and all claims pursuant to judicial reference as provided in California Code of Civil Procedure Section 638, and the judicial referee shall be empowered to hear and determine any and all issues in such reference whether fact or law. The City and the Bank represent that each has reviewed this waiver and consent and each knowingly and voluntarily waives its jury trial rights and consents to judicial reference following the opportunity to consult with legal counsel of its choice on such matters. In the event of litigation, a copy of this Agreement may be filed as a written consent to a trial by the court or to judicial reference under California Code of Civil Procedure Section 638 as provided herein.

(d) The waivers made pursuant to this Section 7.9 shall be irrevocable and unmodifiable, whether in writing or orally, and shall be applicable to any subsequent amendments, renewals, supplements or modifications of this Agreement.

Section 7.10. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 7.11. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement and the other Related Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a pdf copy to an email, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

Section 7.12. Integration. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.

Section 7.13. Patriot Act; Government Regulations. (a) The Bank hereby notifies the City that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the *"Patriot Act"*), the Bank is required to obtain, verify and record information that identifies the City, which information includes the name and address of the City and other information that will allow the Bank to identify the City in accordance with the Patriot Act. The City hereby agrees that it shall promptly provide such information upon request by the Bank.

(b) The City shall ensure that (a) it is not and shall not be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control (*"OFAC"*), the Department of the Treasury or included in any Executive Orders, that prohibits or limits the Bank from making any advance or extension of credit to the City or from otherwise conducting business with the City, and (b) the Certificates proceeds shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto. Further, the City shall comply with all applicable Bank Secrecy Act (*"BSA"*) laws and regulations, as amended. The City agrees to provide documentary and other evidence of City's identity as may be requested by the Bank at any time to enable the Bank to verify the City's identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the Patriot Act.

Section 7.14. City Requirements. The Bank hereby agrees to the City's requirements, as provided in Exhibit C attached hereto and incorporated hereby by this reference.

Section 7.15. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the City acknowledges and agrees, that: (i) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (ii) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents.

Section 7.16. Arm's Length Transaction. The transaction described in this Agreement is an arm's length, commercial transaction between the City and the Bank in which: (i) the Bank is acting solely as a principal (*i.e.,* as a lender) and for its own interest; (ii) the Bank is not acting as an advisor (either as a municipal advisor, financial advisor or otherwise) to the City; (iii) the Bank has no fiduciary duty to the City pursuant to Section 15B of the Securities Exchange Act of 1934 or otherwise with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank or any of its affiliates has provided other services or is currently providing other services to the City on other matters); (iv) the only obligations the Bank has to the City with respect to this transaction are set forth in this Agreement; (v) the Bank is not recommending that the City take an action with respect to the transaction described in this Agreement and the other Related Documents, and before taking any action with respect to the this transaction, the City has discussed the information contained herein with the City's own legal, accounting, tax, financial and other advisors, as the City deemed appropriate; (vi) the Bank and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the City, and neither the Bank nor any of its affiliates has any obligation to disclose any of such interests to the City; and (vii) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents.

Section 7.17. Redaction. The City agrees that it shall not post this Agreement or the Related Documents or any amendment hereto or thereto on the Electronic Municipal Market Access as provided by the Municipal Securities Rulemaking Board or any other website until the Bank or its counsel has provided redacted versions of this Agreement, the Related Documents or such amendment, as applicable; and hereby requests that the Bank or its counsel to provide a redacted version of this Agreement, the Related Documents or such amendment, as applicable, to the City within three (3) Business Days after the Effective Date.

Section 7.18. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For

purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 7.19. Acknowledgment Regarding Any Supported QFCs.

(a) To the extent that the Related Documents provide support, through a guarantee or otherwise, for any agreement or instrument that is a QFC (such support, *"QFC Credit* Support*"* and, each such QFC, a *"Supported QFC"*), the parties acknowledge and agree as follows with respect to the resolution power of the FDIC under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the *"U.S. Special Resolution Regimes"*) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(b) In the event a Covered Entity that is party to a Supported QFC (each, a *"Covered Party"*) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

(c) As used in this Section 8.19, the following terms have the following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Revolving Credit Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

CITY AND COUNTY OF SAN FRANCISCO

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

CITY ATTORNEY

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

EXHIBIT A

REVOLVING BANK CERTIFICATE

$163,500,000

March [__], 2023

CITY AND COUNTY OF SAN FRANCISCO (the *"City"*), for value received, hereby promises to pay WELLS FARGO BANK, NATIONAL ASSOCIATION (the *"Bank"*), or registered assigns, at the principal office of the Bank in City of Industry, California, the sum of ONE HUNDRED SIXTY-THREE MILLION FIVE HUNDRED THOUSAND U.S. DOLLARS ($163,500,000) or, if less, the aggregate unpaid principal amount of all Loans (as such term is defined in the Credit Agreement hereinafter defined) made by the Bank to the City, payable at such times as are specified in the Credit Agreement, and (ii) interest on the unpaid principal amount of each Loan made by the Bank, from the date of each such Loan until such principal amount is paid in full, at such interest rates, and payable at such times, as are specified in the Credit Agreement; *provided, however,* all principal of, and all earned interest then accrued on, this Revolving Bank Certificate shall be fully and finally due and payable on the Final Maturity Date (as defined in the Credit Agreement).

The unpaid principal amount hereof from time to time outstanding shall bear interest at the rate or rates and be payable as provided in and calculated in the manner set forth in the Credit Agreement.

Payments of both principal and interest are to be made in lawful money of the United States of America.

Annexed hereto and made a part hereof is a grid (the *"Grid"*) on which shall be shown all Notices of Loan honored by the Bank and all Loans outstanding from time to time under the Credit Agreement and the amounts of principal and interest payable and paid from time to time under the Credit Agreement. The City hereby appoints the Bank as its agent to endorse the principal amounts owing to the Bank and the maturity schedule therefor pursuant to Section 2.11 of the Credit Agreement respecting outstanding Loans. In any legal action or proceeding in respect of this Revolving Bank Certificate, the entries made in such accounts shall be *prima facie* evidence of the existence and the amounts of the obligations of the City recorded therein.

This Revolving Bank Certificate evidences indebtedness incurred under, and is subject to the terms and provisions of, a Revolving Credit Agreement dated as of March [__], 2023 as the same may at any time be amended or modified and in effect (the *"Credit Agreement"*), between the City and County of San Francisco and the Bank, to which reference is hereby made for a statement of said terms and provisions, including those under which this Revolving Bank Certificate may be paid prior to its due date or its due date accelerated. The obligations of the City hereunder are payable solely from the Pledged Property in accordance with the terms of the Related Documents.

The City hereby agrees to pay or cause to be paid all expenses, including reasonable attorneys' fees and legal expenses, incurred by the holder of this Revolving Bank Certificate in endeavoring to collect any amounts payable hereunder which are not paid when due whether by acceleration or otherwise.

This Revolving Bank Certificate is made under the laws of the State of California, and for all purposes shall be governed by and construed in accordance with the laws of said State, without regard to principles of conflicts of law.

It is hereby certified that all conditions, acts and things required to exist, happen and be performed under the Credit Agreement precedent to and in the issuance of this Revolving Bank Certificate, exist, have happened and have been performed, and that the issuance, authentication and delivery of this Revolving Bank Certificate have been duly authorized by resolution of the City duly adopted.

The City hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all other notices and demands whatsoever.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the City and County of San Francisco has caused this Revolving Bank Certificate to be duly executed in its name and on its behalf by a duly authorized officer as of the date first written above.

CITY AND COUNTY OF SAN FRANCISCO

By _____
Name: _____
Title: _____

REVOLVING BANK CERTIFICATE GRID
DATED MARCH [___], 2023
BY THE CITY AND COUNTY OF SAN FRANCISCO
PAYABLE TO WELLS FARGO BANK, NATIONAL ASSOCIATION

DATE OF LOAN	TYPE OF LOAN	AMOUNT OF LOAN	MATURITY OF LOAN	DATE OF PAYMENT	AMOUNT OF PAYMENT	NAME AND SIGNATURE OF BANK OFFICER

EXHIBIT B

FORM OF NOTICE OF LOAN

To: Wells Fargo Bank, National Association

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking
Telephone: (628) 260-3382
Email: dale.r.barton@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Kavita Singh, Relationship Associate
Telephone: (415) 222-3394
Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

Reference is made to that certain Revolving Credit Agreement, dated as of March [__], 2023 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the *"Agreement,"* the terms defined therein being used herein as therein defined), between Wells Fargo Bank, National Association (the *"Bank"*) and the City and County of San Francisco. The Delivery and Paying Agent, pursuant to Section 2.2(a) and related provisions of the Agreement, issues this Notice of Loan to be made under the Agreement as follows:

1. Business Day on which Revolving Loan is to be made:

   _____;

2. Principal Amount of Revolving Loan:

   (a) Interest Component: $_____

(b) Principal Component: $_____

3. Maturity Date:

_____;

Payment by the Bank pursuant to this Notice of Loan is to be made to the Delivery and Paying Agent in accordance with the terms of the Agreement.

In connection with this Notice of Loan, the City certifies to the Bank that as of the date of this Notice of Loan no Special Event of Default or Suspension Event has occurred and is continuing. Any capitalized terms used and not defined herein shall have the meaning assigned to it in the Agreement.

Date of this Notice of Loan: _____

[DELIVERY AND PAYING AGENT]

By _____
Title: _____

With a copy to:

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

Attention: City Controller

EXHIBIT C

CITY REQUIREMENTS

1. *Nondiscrimination; Penalties.*

(a) *Nondiscrimination in Contracts.* The Bank shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. The Bank 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. The Bank 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. The Bank does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, 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.

2. *MacBride Principles—Northern Ireland.* The provisions of San Francisco Administrative Code §12F are incorporated by this reference and made part of this Agreement. By entering into this Agreement, the Bank 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.* Pursuant to San Francisco Environment Code Section 804(b), the City urges the Bank 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 the Bank to remove from, City facilities personnel of the Bank 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.* The Bank shall provide the services specified in this Agreement 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.* The Bank acknowledges that this Agreement and all records related to its formation, the Bank's performance under this Agreement, and the City's payment are subject to the California Public Records Act, (California Government Code §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 this Agreement, the Bank 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 (i) 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, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of 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 the Bank's board of directors; the Bank's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in the Bank; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by the Bank. The Bank 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 the 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. If Administrative Code Chapter 12P applies to this Agreement, the Bank shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. The Bank is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at http://sfgov.org/olse/mco. The Bank is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, the Bank certifies that it complies with Chapter 12P.

9. Requiring Health Benefits for Covered Employees. If Administrative Code Chapter 12Q applies to this Agreement, the Bank shall comply with the requirements of Chapter 12Q. For each Covered Employee, the Bank shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If the Bank chooses to offer the health plan option, such

health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of the Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at http://sfgov.org/olse/hcao. The Bank is subject to the enforcement and penalty provisions in Chapter 12Q. Any subcontract entered into by the Bank shall require any subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

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

11. Nondisclosure of Private, Proprietary or Confidential Information. If this Agreement requires the City to disclose "Private Information" to the Bank within the meaning of San Francisco Administrative Code Chapter 12M, the Bank shall use such information consistent with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the services provided under this Agreement. The Bank is subject to the enforcement and penalty provisions in Chapter 12M.

In the performance of services provided under this Agreement, the Bank 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 the Bank, such information must be held by the Bank in confidence and used only in performing this Agreement. The Bank 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.* The Bank 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 this Agreement. The text of Chapter 12T is available on the web at http://sfgov.org/olse/fco. A partial listing of some of the Bank's obligations under Chapter 12T is set forth in this Section. The Bank 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 this Agreement shall have the meanings assigned to such terms in Chapter 12T.

The requirements of Chapter 12T shall only apply to the Bank's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, 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 which excludes Airport property. 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. *First Source Hiring Program.* The Bank must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and the Bank is subject to the enforcement and penalty provisions in Chapter 83.

14. *Submitting False Claims; Monetary Penalties.* The full text of San Francisco Administrative Code § 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Under San Francisco Administrative Code §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.

15. *Conflict of Interest.* By entering into this Agreement, the Bank 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 this Agreement.

16. *Food Service Waste Reduction Requirements.* The Bank 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. *Distribution of Beverages and Water.* The Bank 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 this Agreement. The Bank agrees that it shall not sell, provide or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

18. *Consideration of Salary History.* The Bank shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." The Bank is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this

Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at https://sfgov.org/olse/consideration-salary-history. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

19. *Laws Incorporated by Reference.* The full text of the laws listed in this Exhibit C, including enforcement and penalty provisions, are incorporated into this Agreement by reference. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Exhibit C are available at http://www.amlegal.com/codes/client/san-francisco_ca/.

EXHIBIT D

FORM OF NO-DELIVERY NOTICE NO-DELIVERY NOTICE

U.S. Bank Trust Company, National Association,
as Delivery and Paying Agent
100 Wall Street
New York, New York 10005
Attention: Corporate Trust Department

The undersigned, duly authorized signatories of Wells Fargo Bank, National Association (the *"Bank"*), hereby certify to U.S. Bank Trust Company, National Association (the *"Delivery and Paying Agent"*), with reference to that certain Revolving Credit Agreement, dated as of March [__], 2023 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the *"Agreement,"* the terms defined therein being used herein as therein defined), between Wells Fargo Bank, National Association (the *"Bank"*) and the City and County of San Francisco (the *"City"*), as follows:

1. We hereby notify you that, in accordance with the terms of the Agreement, **[insert one of the following phrases]** the Bank has determined that **[a Default or Event of Default shall have occurred and be continuing]**[**any representation or warranty of the City set forth in Article 4 of the Agreement (other than in Section 4.1(p) of the Agreement) shall, in the reasonable opinion of the Bank, no longer be true and correct in any material respect]**.

2. Subject to the following sentence, you shall cease authenticating Certificates, as provided in Section 3.01 of the Trust Agreement, unless and until we rescind this No-Delivery Notice. If you receive this No-Delivery Notice after 10:00 a.m., (New York time), on a Business Day you shall cease authenticating Certificates on the next Business Day.

3. This No-Delivery Notice shall not affect the obligation of the Bank to honor demands for payment under the Agreement with respect to Certificates authenticated prior to your receipt of this No-Delivery Notice (or, subject to paragraph 2 above, on the same Business Day that you receive this No-Delivery Notice), and you shall continue to have the right to request Revolving Loans under the Agreement to pay the principal and accrued interest with respect to maturing Certificates authenticated prior to your receipt of such No-Delivery Notice (or, subject to paragraph 2 above, authenticated on the same Business Day that you receive this No-Delivery Notice).

IN WITNESS WHEREOF, the undersigned have executed and delivered this No-Delivery Notice as of the _____ day of _____, 20__.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By _____
Name: _____
Title: _____

EXHIBIT E

REQUEST FOR TERM LOAN

[Date]

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Dale Barton, Director, Government Banking
Telephone: (628) 260-3382
Email: dale.r.barton@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
420 Montgomery Street, 9th Floor
San Francisco, California 94104
Attention: Kavita Singh, Relationship Associate
Telephone: (415) 222-3394
Email: singk@wellsfargo.com

Wells Fargo Bank, National Association
1700 Lincoln Street, 9th Floor
Denver, Colorado 80203
Attention: Kacey Renelt, Portfolio Execution Specialist
Telephone: (720) 717-0988
Email: Kacey.renelt@wellsfargo.com

CITY AND COUNTY OF SAN FRANCISCO
TAX-EXEMPT LEASE REVENUE
COMMERCIAL PAPER CERTIFICATES OF PARTICIPATION, SERIES 2

and

CITY AND COUNTY OF SAN FRANCISCO
TAXABLE LEASE REVENUE
COMMERCIAL PAPER CERTIFICATES OF PARTICIPATION, SERIES 2-T

Ladies and Gentlemen:

Reference is hereby made to that certain Revolving Credit Agreement dated as of March [__], 2023 (the *"Agreement"*) between City and County of San Francisco (the *"City"*) and Wells Fargo Bank, National Association, as the Bank (the *"Bank"*). All capitalized terms contained

herein which are not specifically defined shall have the meanings assigned to such terms in the Agreement.

The City hereby requests, pursuant to Section 2.6(a) of the Agreement, to convert the outstanding Principal Advance to a Term Loan so that any outstanding Principal Advances not repaid on the Term Loan Conversion Date shall be payable as provided in Section 2.6 of the Agreement.

In connection with such request, the City hereby represents and warrants that:

(a) no Default or Event of Default has occurred and is continuing under the Agreement on the date hereof; and

(b) all representations and warranties of the Borrower in the Agreement are true and correct and are deemed to be made on the date hereof.

We have enclosed along with this request the following information:

1. the outstanding amount of the Principal Advances on the date hereof;

2. any other pertinent information previously requested by the Bank.

Dated date: _____[2]

Very truly yours,

CITY AND COUNTY OF SAN FRANCISCO

By: _____
Name: _____
Title: _____

---

2 Note that this date must be no later than 30 days prior to the Term Loan Commencement Date pursuant to Section 2.6 of the Agreement.

FEE AGREEMENT
DATED MARCH [___], 2023

Reference is hereby made to that certain Revolving Credit Agreement dated as of March **[__]**, 2023 (as amended, restated, supplemented or otherwise modified from time to time, the *"Agreement"*), between the CITY AND COUNTY OF SAN FRANCISCO (the *"City"*) and WELLS FARGO BANK, NATIONAL ASSOCIATION (together with its successors and assigns, the *"Bank"*), relating to the City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2 and the City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 2-T (the *"Certificates"*). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The purpose of this Fee Agreement (this *"Fee Agreement"*) is to confirm the agreement between the Bank and the City with respect to the Commitment Fees (as defined below) and certain other fees and expenses payable by the City to the Bank. This Fee Agreement is the Fee Agreement referenced in the Agreement and the terms hereof are incorporated by reference into the Agreement. This Fee Agreement and the Agreement are to be construed as one agreement between the City and the Bank, and all obligations hereunder are to be construed as obligations thereunder. All references to amounts due and payable under the Agreement will be deemed to include all amounts, fees and expenses payable under this Fee Agreement.

ARTICLE I. FEES.

Section 1.1. Commitment Fee. The City hereby agrees to pay to the Bank a non-refundable commitment fee quarterly in arrears on the first Business Day of each January, April, July and October (each such date referred to herein as a "*Quarterly Payment Date*") (commencing on April 3, 2023, for the period from and including the Effective Date to and including March 31, 2023) occurring prior to the Commitment Termination Date and on the Commitment Termination Date, for each day during the immediately preceding fee period, in an amount equal to the product of the rate per annum specified in the applicable Level corresponding to the Rating (as defined in this Section 1.1 below) in the pricing matrix below (the *"Commitment Fee Rate"*) multiplied by the Available Commitment, in each case, for each such day and the actual number of days elapsed (the *"Commitment Fee"*) during each related fee period.

LEVEL	FITCH RATING	S&P RATING	MOODY'S RATING	COMMITMENT FEE RATE
Level 1	AA+ or above	AA+ or above	Aa1 or above	0.250%
Level 2	AA	AA	Aa2	0.275%

LEVEL	FITCH RATING	S&P RATING	MOODY'S RATING	COMMITMENT FEE RATE
Level 3	AA-	AA-	Aa3	0.300%
Level 4	A+	A+	A1	0.350%
Level 5	A	A	A2	0.400%
Level 6	A-	A-	A3	0.450%
Level 7	BBB+	BBB+	Baa1	0.600%
Level 8	BBB	BBB	Baa2	0.850%
Level 9	BBB- or below	BBB- or below	Baa3 or below	1.200%

The term *"Rating"* as used above in this Section 1.01 shall mean the lowest long-term unenhanced debt ratings assigned by each of Fitch, S&P and Moody's to any general obligation bonds of the City (without giving effect to any bond insurance or other credit enhancement thereon). In the event (i) all three Rating Agencies provide a Rating, the Commitment Fee Rate shall be based on the Level corresponding to the lowest Rating, (ii) only two Rating Agencies provide a Rating and there is a split Rating (i.e., one of the Rating Agency's Ratings is at a different level than the Rating of the other Rating Agency), the Commitment Fee Rate shall be based on the Level corresponding to the lower Rating and (iii) only one Rating Agency provides a Rating, the Commitment Fee Rate shall be based on the Level corresponding to such Rating (for the avoidance of doubt, Level 9 is the lowest Level, and Level 1 is the highest Level for purposes of the above pricing matrix). Any change in the Commitment Fee Rate resulting from an Event of Default or change, withdrawal, suspension or unavailability of a Rating shall be and become effective as of and on the date of the Event of Default or the announcement of the change, withdrawal, suspension or unavailability of such Rating, as applicable. References to Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration or realignment of the long-term unenhanced debt rating of any general obligation bonds of the City in connection with the adoption of a "global" rating scale, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The City represents that as of the Effective Date, the Commitment Fee Rate is that specified above for Level 1. Upon the occurrence and during the continuance of an Event of Default, or if any Rating falls below "Baa3" (or its equivalent) by Moody's, "BBB-" (or its equivalent) by Fitch or "BBB-" (or its equivalent) by S&P, or in the event any Rating is suspended or withdrawn, the Commitment Fee Rate shall immediately and without notice equal the sum of the Commitment Fee Rate set forth in Level 9 above *plus* 1.00**%**. The Commitment Fees shall be payable quarterly in arrears on each Quarterly Payment Date, together with interest on the Commitment Fees from the date payment is due until payment in full at the Default Rate, such interest to be payable on demand. Such Commitment Fees shall be payable in immediately available funds and computed on the basis of a 360-day year and the actual number of days elapsed.

Section 1.2. Applicable Margin. The term "Applicable Spread", as used in the Agreement shall have the following meaning:

"Applicable Margin" means a rate per annum associated with the Level corresponding to the Rating (as defined in this Section 1.2 below), as specified below:

LEVEL	FITCH RATING	S&P RATING	MOODY'S RATING	APPLICABLE MARGIN
Level 1	AA+ or above	AA+ or above	Aa1 or above	0.000%
Level 2	AA	AA	Aa2	0.075%
Level 3	AA-	AA-	Aa3	0.150%
Level 4	A+	A+	A1	0.300%
Level 5	A	A	A2	0.450%
Level 6	A-	A-	A3	0.600%
Level 7	BBB+	BBB+	Baa1	0.850%
Level 8	BBB	BBB	Baa2	1.200%
Level 9	BBB- or below	BBB- or below	Baa3 or below	1.700%

The term *"Rating"* as used above in this Section 1.2 shall mean the lowest long-term unenhanced debt ratings assigned by each of Fitch, S&P and Moody's to any general obligation bonds of the City (without giving effect to any bond insurance or other credit enhancement thereon). In the event (i) all three Rating Agencies provide a Rating, the Applicable Margin shall be based on the Level corresponding to the lowest Rating, (ii) only two Rating Agencies provide a Rating and there is a split Rating (i.e., one of the Rating Agency's Ratings is at a different level than the Rating of the other Rating Agency), the Applicable Margin shall be based on the Level corresponding to the lower Rating and (iii) only one Rating Agency provides a Rating, the Applicable Margin shall be based on the Level corresponding to such Rating (for the avoidance of doubt, Level 9 is the lowest Level, and Level 1 is the highest Level for purposes of the above pricing matrix). Any change in the Applicable Margin resulting from an Event of Default or change, withdrawal, suspension or unavailability of a Rating shall be and become effective as of and on the date of the Event of Default or the announcement of the change, withdrawal, suspension or unavailability of such Rating, as applicable. References to Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration or realignment of the long-term unenhanced debt rating of any general obligation bonds of the City in connection with the adoption of a "global" rating scale, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The City represents that as of the Effective Date, the Applicable Margin is that specified above for Level 1.

Section 1.3. Transfer Fee. Upon the date a successor Delivery and Paying Agent is appointed under the Delivery and Paying Agent Agreement, the City agrees to pay to the Bank a

non-refundable transfer fee in an amount equal to $5,000 for each transfer, plus, in each case, the reasonable fees and expenses of counsel to the Bank, payable on the date of each such transfer.

Section 1.4. Amendment Fee. The City shall pay to the Bank a non-refundable amendment, standard waiver or consent fee in an amount equal to $2,500 (or such other amount reasonably determined by the Bank and agreed to by the City) for any change in the terms of pledged security, collateral, covenants or provisions in the Agreement or the Related Documents which requires the approval, waiver or consent of the Bank, plus the Bank's reasonable costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which the Bank may incur by reason of or in connection with such change, waiver or consent, payable not later than the effective date of each such amendment, standard waiver or consent.

Section 1.5. Termination Fee or Reduction Fee. In the event the Agreement is terminated or the Available Commitment is permanently reduced for any reason prior to March **[__]**, 2024, the City agrees to pay the Bank on such termination date or reduction date, as applicable, in addition to all other obligations of the City that may be due and payable at such time, a termination fee (*"Termination Fee"*) or reduction fee (*"Reduction Fee"*), as applicable, in each case, equal to the Commitment Fee which would have been payable to the Bank from (and including) such termination date or reduction date through and including March **[__]**, 2024, calculated at the time of such termination or reduction on the basis of (i) the Commitment Fee Rate in effect pursuant to Section 1.1 hereof on the date of termination or reduction multiplied by (ii) (A) in the event of termination, the then applicable Available Commitment of the Bank and (B) in the event of reduction, the difference between the Available Commitment of the Bank prior to such reduction and the Available Commitment of the Bank after such reduction, multiplied by (iii) a fraction, the numerator of which is the number of days from and including the date of such termination or reduction to and including March **[___]**, 2024, and the denominator of which is 360. No termination of the Agreement or reduction of Commitment shall become effective unless all amounts payable by the City to the Bank pursuant to this Section 1.5 and Section 2.13 of the Agreement have been paid in full.

ARTICLE II. MISCELLANEOUS.

Section 2.1. Out-of-Pocket Expenses; Administration. (a) The City shall pay to the Bank promptly upon receipt of invoice any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank), and the reasonable fees of counsel to the Bank, plus disbursements (in an amount not to exceed $45,000), all payable in accordance with this Fee Agreement. The reasonable fees of counsel to the Bank shall be paid directly to Chapman and Cutler LLP in accordance with the instructions provided by Chapman and Cutler LLP.

(b) The City further agrees to pay all of the Bank's out-of-pocket expenses (including, without limitation, reasonable fees and disbursements of counsel for the Bank) arising in connection with the administration and enforcement of, preservation of rights in connection with a workout, restructuring or default under, or amendment or waiver with respect to the Agreement and the other Related Documents, and any and all CDIAC fees.

Section 2.2. Amendments. No amendment to this Fee Agreement shall become effective without the prior written consent of the City and the Bank.

Section 2.3. Governing Law. THIS FEE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF CALIFORNIA.

Section 2.4. Counterparts. This Fee Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument. This Fee Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by email with a pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

Section 2.5. Severability. Any provision of this Fee Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 2.6. No Disclosure. Unless required by law, the City shall not deliver or permit, authorize or consent to the delivery of this Fee Agreement to a Dealer or any other Person for delivery to the Municipal Securities Rulemaking Board unless the Bank provides its prior written consent. For the avoidance of doubt, this Section 2.6 shall in no way limit or supersede Section 7.17 of the Agreement.

Section 2.7. Representation by Legal Counsel; Joint Preparation. The parties hereto have participated jointly in the negotiation and drafting of this Fee Agreement, and each of the parties was represented by its legal counsel during the negotiation and execution of this Fee Agreement. In the event an ambiguity or question of intent or interpretation arises, this Fee Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Fee Agreement.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Fee Agreement to be duly executed and delivered by their respective representatives as of date first set forth above.

CITY AND COUNTY OF SAN FRANCISCO

By:_____
Name: _____
Title: _____

APPROVED AS TO FORM:

CITY ATTORNEY

By:_____
Name: _____
Title: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION

By:_____
Name: _____
Title: _____

AGENDA DRAFT

OFFERING MEMORANDUM

Dated: _____, 2023

CITY AND COUNTY OF SAN FRANCISCO

NOT TO EXCEED $150,000,000

CITY AND COUNTY OF SAN FRANCISCO TAX-EXEMPT LEASE REVENUE COMMERCIAL PAPER CERTIFICATES OF PARTICIPATION, SERIES 2

CITY AND COUNTY OF SAN FRANCISCO TAXABLE LEASE REVENUE COMMERCIAL PAPER CERTIFICATES OF PARTICIPATION, SERIES 2-T

Supported by a revolving line of credit issued by:

Wells Fargo Bank, National Association

Ratings: Moody's "__"
S&P "__"
Fitch "__"

Dealer:

J.P. Morgan

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OFFERING MEMORANDUM DATED: _____, 2023

Aggregate Principal Amount Not to Exceed $150,000,000

City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2	City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 2-T

The purpose of this Offering Memorandum is to provide certain general information in connection with the delivery and sale by the City and County of San Francisco (the "City") of City and County of San Francisco Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 2 (the "Series 2 Certificates"), and City and County of San Francisco Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 2-T (the "Series 2-T Certificates"). The Series 2 Certificates and the Series 2-T Certificates are collectively referred to herein as the "Commercial Paper Certificates." In connection with a previous offering of the Commercial Paper Certificates, the City prepared an Offering Memorandum dated May 6, 2021 (the "Prior Offering Memorandum"). This Offering Memorandum supersedes the Prior Offering Memorandum in its entirety. Unless otherwise indicated, capitalized terms used but not defined herein shall have the meanings set forth in the Trust Agreement (as hereinafter defined).

Wells Fargo Bank, National Association (the "Bank") has established a revolving line of credit under a Revolving Credit Agreement dated as of [Month] 1, 2023 (the "Liquidity Agreement") to make loans, subject to the terms and conditions of the Liquidity Agreement, to fund the payment by the City of the principal of and interest with respect to any Commercial Paper Certificates at the stated maturity thereof. If for any reason the Bank fails to honor a properly presented and conforming notice of loan pursuant to the Liquidity Agreement, it is unlikely that the City would have sufficient funds on hand and available to make the corresponding payment of principal of and/or interest on the Commercial Paper Certificates apart from the City's obligation to make Base Rental Payments. A redacted copy of the Liquidity Agreement is attached hereto as APPENDIX C – "FORM OF THE LIQUIDITY AGREEMENT."

Under certain circumstances, the Liquidity Agreement is subject to immediate termination or suspension without notice or payment. See "THE LIQUIDITY AGREEMENT" herein.

The information in this Offering Memorandum has been obtained from the City, the Bank and other sources believed to be reliable. The references herein to the Trust Agreement, the Commercial Paper Certificates, the Liquidity Agreement and the Delivery and Paying Agent Agreement (all as hereinafter defined) do not purport to be complete or definitive, do not constitute summaries thereof, and are qualified in their entirety by reference to the provisions thereof. The information and expressions of opinion in this Offering Memorandum are subject to change without notice after the date hereof and future use of this Offering Memorandum shall not otherwise create any implication that there has been no change in the matters referred to in this Offering Memorandum since the date hereof.

The Bank has no responsibility for the form and content of this Offering Memorandum, other than solely with respect to the information describing itself under the heading "**THE BANK**," other than the first paragraph thereunder, and has not independently verified, makes no representation

regarding, and does not accept any responsibility for the accuracy or completeness of this Offering Memorandum or any information or disclosure contained herein or omitted herefrom, other than solely with respect to the information describing itself under the heading "**THE BANK**," other than the first paragraph thereunder. Accordingly, the Bank disclaims responsibility for the other information in this Offering Memorandum or otherwise made in connection with the remarketing of the Commercial Paper Certificates.

This Offering Memorandum is not to be construed as a contract between the City and the purchasers of the Commercial Paper Certificates. Prospective purchasers of the Commercial Paper Certificates are expected to conduct their own review and analysis before making an investment decision.

THE CITY AND COUNTY OF SAN FRANCISCO

General. The City is the economic and cultural center of the San Francisco Bay Area and northern California. The limits of the City encompass over 93 square miles, of which 49 square miles are land, with the balance consisting of tidelands and a portion of the San Francisco Bay (the "Bay"). The City is located at the northern tip of the San Francisco Peninsula, bounded by the Pacific Ocean to the west, the Bay and the San Francisco-Oakland Bay Bridge to the east, the entrance to the Bay and the Golden Gate Bridge to the north, and San Mateo County to the south. Silicon Valley is about a 40-minute drive to the south, and the Napa-Sonoma wine country is about an hour's drive to the north. The City estimates the City's population in fiscal year 2020-21 was 851,916.

The San Francisco Bay Area consists of the nine counties contiguous to the Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma Counties (collectively, the "Bay Area"). The economy of the Bay Area includes a wide range of industries, supplying local needs as well as the needs of national and international markets. Major business sectors in the Bay Area include technology, retail, entertainment and the arts, conventions and tourism, service businesses, banking, professional and financial services, corporate headquarters, international and wholesale trade, multimedia and advertising, healthcare and higher education. The California State Supreme Court is also based in San Francisco.

The City has historically been a major convention and tourist destination. However, the COVID-19 pandemic has significantly adversely impacted, and may continue to adversely impact tourism and convention activities in the City. According to the San Francisco Travel Association, a nonprofit membership organization ("SFTA"), during the calendar year 2021, approximately 17.1 million tourists visited the City, with total spending estimated at $3.69 billion, including spending from meetings and conventions. In calendar year 2020, SFTA reported that approximately 11.8 million tourists visited the City, with total spending estimated at $2.85 billion, including spending from conventions, trade shows and group meetings. In calendar year 2019, SFTA reported that approximately 26.3 million tourists visited the City, with total spending estimated at $10.29 billion, including spending from conventions, trade shows and group meetings..

The City is also a leading center for financial activity in the State. The headquarters of the Twelfth Federal Reserve District and the Eleventh District Federal Home Loan Bank are located in the City.

The City benefits from a highly skilled, educated and professional labor force. The City estimates the per-capita personal income of the City for fiscal year 2020-21 was $173,097. The San

Francisco Unified School District ("SFUSD"), which is a separate legal entity from the City, operates 73 elementary schools, 13 middle schools, 17 high schools, 47 early education schools, and 3 County and Court schools. Higher education institutions located in the City include the University of San Francisco, California State University – San Francisco, University of California – San Francisco (a medical school and health science campus), the University of California Hastings College of the Law (soon to be renamed as UC College of the Law, San Francisco), the University of the Pacific's School of Dentistry, Golden Gate University, City College of San Francisco (a public community college), the San Francisco Conservatory of Music, and the Academy of Art University.

San Francisco International Airport ("SFO"), located 14 miles south of downtown San Francisco in an unincorporated area of San Mateo County, is owned by the City and is operated by the San Francisco Airport Commission (the "Airport Commission"), and is the principal commercial service airport for the Bay Area and one of the nation's principal gateways for Pacific Rim traffic. As discussed above, the COVID-19 pandemic has significantly adversely impacted tourism and travel in the San Francisco Bay Area. In fiscal year 2021-22, SFO served approximately 34.9 million passengers (compared to approximately 13.7 million passengers in fiscal year 2020-21, 40.5 million passengers in fiscal year 2019-20 and 57 million passengers in fiscal year 2018-19) and handled 545,335 metric tons of cargo (compared to 471,793 metric tons in fiscal year 2020-21, 490,073 metric tons in fiscal year 2019-20 and 564,485 metric tons in fiscal year 2018-19). The City is also served by the Bay Area Rapid Transit District ("BART," an electric rail commuter service linking the City with the East Bay and the San Francisco Peninsula, including SFO), Caltrain (a conventional commuter rail line linking the City with the San Francisco Peninsula), and bus and ferry services between the City and residential areas to the north, east and south of the City. San Francisco Municipal Railway ("Muni"), operated by the San Francisco Municipal Transportation Agency ("SFMTA"), provides bus and streetcar service within the City (investors should note that since fiscal year 2019-20, telecommuting resulting from emergency stay-at-home orders caused ridership into and within the City to decline significantly compared to pre-pandemic levels.

Government. San Francisco is a city and county chartered pursuant to Article XI, Sections 3, 4, 5 and 6 of the Constitution of the State of California and is the only consolidated city and county in the State. Voters approved the City's current Charter at the November 1995 election. The City is governed by a Board of Supervisors elected from 11 districts to serve four-year terms, and a Mayor who serves as chief executive officer, elected citywide to a four-year term. The City's original budget for fiscal years 2022-23 and 2023-24 totals $14.0 billion and $13.9 billion, respectively. The General Fund portion of each year's proposed budget is $6.8 billion in fiscal year 2022-23 and $6.9 billion in fiscal year 2023-24, with the balance allocated to all other funds, including enterprise fund departments, such as the Airport Commission, SFMTA, the Port Commission and the San Francisco Public Utilities Commission ("SFPUC"). According to the Controller of the City (the "Controller"), at the start of fiscal year 2022-23, total net assessed valuation of taxable property in the City was approximately $328.5 billion, which represents an increase of approximately 6.7% over fiscal year 2021-22.

THE COMMERCIAL PAPER CERTIFICATES

The Commercial Paper Certificates represent interests in Base Rental required to be made by the City under a Sublease dated as of June 1, 2010 (as amended from time to time, the "Sublease"), between the City and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as Trustee (the "Trustee"), entered into pursuant to the Charter of the City, Resolution No. 85-09, adopted by the Board of Supervisors of the City on March 17, 2009,

and signed by the Mayor on March 24, 2009, Resolution No. 136-10, adopted by the Board of Supervisors of the City on April 6, 2010, and signed by the Mayor on April 14, 2020, Resolution No. 247-13, adopted by the Board of Supervisors of the City on July 16 2013, and signed by the Mayor on July 25, 2013, and Resolution No. ____-23, adopted by the Board of Supervisors of the City on _____, 2023, and signed by the Mayor on _____, 2023, providing for the lease by the City from the Trustee of certain real property consisting of the City's Fire Station 1, Department of Public Health Clinic, Human Services Agency Central Offices, Corporate Yard, and Fire College (collectively, the "Property"). Under the Sublease, the City is required, so long as it has the benefit of the use and occupancy of the Property, to pay to the Trustee specified rental payments (the "Base Rental") and to pay certain "Additional Rental" (which is not pledged to the payment of principal and interest evidenced by the Commercial Paper Certificates).

The Base Rental and Additional Rental will be payable from any legally available funds of the City, including the City's general fund. The City has covenanted in the Sublease that so long as the Property is available for its use, the City will take such action as may be necessary to include the Base Rental payments in its annual budget and to make the necessary annual appropriations therefor.

Except to the extent of (a) available amounts held by the Delivery and Paying Agent in the Base Rental Account, the Payment Account or the Bank Reimbursement Account of the Delivery and Paying Agent Fund, (b) amounts, if any, received in respect of rental interruption insurance with respect to the Property, and (c) amounts, if any, otherwise legally available to the City for payments in respect of the Sublease or to the Delivery and Paying Agent for payments in respect of the Commercial Paper Certificates, the obligation of the City to make Base Rental payments (other than from certain sources specified in the Sublease) may be abated in whole or in part during any period in which by reason of material damage to or destruction of the Property, or condemnation of or defects in the title of the Property, there is substantial interference with the use and occupancy by the City of any portion of the Property. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. The amount of annual rental abatement will be such that the resulting Base Rental in respect of the Property in any Fiscal Year during which such interference continues, excluding any amounts described in clauses (a), (b) or (c) above, do not exceed the annual fair rental value of the Property with respect to which there has not been substantial interference, as evidenced by a certificate of the City.

Under the Sublease, the City is required to maintain rental interruption insurance in an amount not less than the aggregate amount payable by the City pursuant to the Sublease for a period of at least 24 months (such amount to be determined based on the Maximum Principal Amount of Certificates available as of the Closing Date plus interest at the Maximum Interest Rate).

The Commercial Paper Certificates will be executed and delivered pursuant to a Trust Agreement, dated as of June 1, 2010 (as so supplemented from time to time, the "Trust Agreement"), between the City and the Trustee, and a Second Amended and Restated Delivery and Paying Agent Agreement, dated as of [Month] 1, 2023 (the "Delivery and Paying Agent Agreement"), between the City and U.S. Bank Trust Company, National Association, as Delivery and Paying Agent (the "Delivery and Paying Agent"). The aggregate principal amount of Commercial Paper Certificates at any time outstanding may not exceed the lesser of $150,000,000 and the principal commitment under the Liquidity Agreement. **Under certain circumstances, the Liquidity Agreement is subject to immediate termination or suspension without notice or payment**. ***See "THE LIQUIDITY***

AGREEMENT" herein. Abatement of Base Rental pursuant to the terms of the Sublease is not among such circumstances.

The Commercial Paper Certificates will be delivered from time to time to provide moneys to pay Project Costs, to fund capitalized interest and capitalized fees and expenses with respect to Commercial Paper Certificates, to pay costs incurred in connection with the delivery of Commercial Paper Certificates and to pay principal and interest evidenced by maturing Commercial Paper Certificates, all as set forth in the Trust Agreement. The Trust Agreement defines "Project Costs" as the costs of the acquisition, construction, development and financing of capital facilities and improvements thereto, capital expenditures and extraordinary costs, and includes, without limitation, the costs of engineering, architectural services, plans, specification, surveys and estimates of costs, the costs of any taxes or assessments paid or to be paid in connection with the transfer of any property related to the capital facilities; the costs of any indemnity or surety bonds or other insurance with respect to the acquisition, construction, development or financing of any capital facilities; the costs of software, computer upgrades and consulting fees related thereto; costs of issuance of the Commercial Paper Certificates, including without limitation, expenses relating to registering or qualifying the Commercial Paper Certificates for distribution in any jurisdiction of the United States, discounts, commissions, financing charges and fees and expenses of underwriters, dealers, remarketing agents, rating agencies, attorneys, accountants, advisors and consultants, letter of credit fees payable with respect to the Commercial Paper Certificates, the premium payable with respect to any insurance policy with respect to the Commercial Paper Certificates, the costs of audit and any credit enhancement facility; the cost of title insurance; any reimbursements payments to the City; fees and expenses of the Trustee and the Delivery and Paying Agent; the administrative expenses of the City attributable to the capital facilities, including, without limitation, compensation of officers, directors, employees, agents, attorneys, accountants and consultants of the City and any fees and expenses of the Trustee and the Delivery and Paying Agent during construction; and such other costs, whether or not specified herein, as may be necessary or incidental to the acquisition, construction, development or financing of the capital facilities and any improvements thereto and the placing of the same in operation, and such other costs and expenses for changes, alterations and additions to the capital facilities requested by the City.

Under the Trust Agreement, the City and the Delivery and Paying Agent may not cause the execution and delivery of Commercial Paper Certificates unless the City has certified to the Delivery and Paying Agent that the Liquidity Agreement will, immediately after the execution and delivery of such Commercial Paper Certificates, be in an amount sufficient to pay the principal of all outstanding Commercial Paper Certificates and interest thereon at the rates then in effect, with respect to the Commercial Paper Certificates through the maturity dates thereof. Additionally, prior to the execution and delivery of Commercial Paper Certificates, the City must comply with certain conditions precedent set forth in the Liquidity Agreement.

The Commercial Paper Certificates will be dated the date of their respective authentication, execution and delivery, will be issued in book-entry form only, in denominations of $100,000 and in integral multiples of $1,000 in excess of $100,000, and will each bear interest at a separately stated interest rate not to exceed 12% per annum.

The Commercial Paper Certificates will be delivered as fully registered certificates and registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Beneficial ownership interests in the Commercial Paper Certificates will be available in book-entry form only, and purchasers of the Commercial Paper

Certificates will not receive certificates representing their interests in the Commercial Paper Certificates purchased. While held in book-entry only form, the Trustee will make all payments of principal and interest with respect to the Commercial Paper Certificates by wire transfer to DTC or its nominee as the sole registered owner of the Commercial Paper Certificates. Payments to the beneficial owners are the responsibility of DTC and its participants. See Appendix B – "INFORMATION REGARDING DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Interest with respect to the Series 2 Certificates will be computed on the basis of actual days elapsed and on a 365-day or 366-day year, whichever is applicable, and interest with respect to the Series 2-T Certificates will be computed on the basis of actual days elapsed and on a 360-day year.

Each Commercial Paper Certificate will mature on a Business Day not more than 270 days after its date, but not later than five days prior to the Stated Expiration Date (defined below) of the Liquidity Agreement. No Commercial Paper Certificates can be delivered by the Delivery and Paying Agent if such delivery would result in the aggregate principal amount of the Commercial Paper Certificates to be outstanding together with interest accrued or to accrue thereon being in excess of the Available Commitment.

Upon the occurrence of any Special Event of Default or Suspension Event, the Commitment shall automatically and immediately be terminated or suspended, respectively, with respect to all outstanding Commercial Paper Certificates and the Bank shall have no obligation to make any Revolving Loan under the Liquidity Agreement. Upon such termination or suspension, Base Rental payable from the City's general fund will be the sole source of principal and interest evidenced by the Commercial Paper Certificates. See "THE LIQUIDITY AGREEMENT – Events of Default."

THE LIQUIDITY AGREEMENT

Capitalized terms used in this section "THE LIQUIDITY AGREEMENT" and not otherwise defined shall have the meaning given to such terms as set forth in APPENDIX C – "FORM OF THE LIQUIDITY AGREEMENT.". In the event of any conflict between a definition set forth herein and the corresponding definition set forth in the Liquidity Agreement, the definition set forth in APPENDIX C – "FORM OF THE LIQUIDITY AGREEMENT" shall control for purposes of this section "THE LIQUIDITY AGREEMENT."

The following is a summary of certain provisions of the Liquidity Agreement. This summary is not to be considered a full statement of the terms of the Liquidity Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof.

The Liquidity Agreement expires on _____, 2026, subject to earlier termination as provided therein and to extension or renewal as provided therein (the "Stated Expiration Date"). ***Under certain circumstances, the Liquidity Agreement is subject to immediate termination or suspension without notice or payment. See "–Events of Default" below.***

Revolving Line of Credit

At the request and for the account of the City, the Bank has established a revolving line of credit for the benefit of the City in an amount not to exceed the Bank's Commitment which may be drawn upon from time to time for the purpose of making Revolving Loans to fund the payment by

the City in respect of the principal and interest with respect to any Commercial Paper Certificates at the stated maturity thereof in accordance with the terms and provisions of the Liquidity Agreement and the Trust Agreement. On the effective date of the Liquidity Agreement, the Available Commitment was equal to $163,500,000, consisting of an aggregate Available Principal Amount equal to $150,000,000, and an aggregate Available Interest Commitment equal to $13,500,000, in each case subject to adjustment as provided in the Liquidity Agreement. The Available Commitment in effect from time to time shall be subject to reductions and reinstatements as set forth in the Liquidity Agreement. The aggregate Principal Component of all Revolving Loans made on any date shall not exceed the Available Principal Commitment on such date. The aggregate Interest Component of all Revolving Loans made on any date shall equal the lesser of (i) the Available Interest Commitment on such date and (ii) the actual aggregate amount of interest, if any, accrued on the Commercial Paper Certificates to be paid with the proceeds of such Revolving Loan. Upon satisfaction of the applicable conditions set forth in the Liquidity Agreement, the Bank will advance Revolving Loans under the Liquidity Agreement to the extent requested by the Delivery and Paying Agent to enable the City to pay principal of and interest on Commercial Paper Certificates maturing on the date of such Revolving Loan. Revolving Loans advanced under the Liquidity Agreement will reduce the Available Commitment, which will be subject to reinstatement as provided in the Liquidity Agreement. All Revolving Loans advanced under the Liquidity Agreement will be paid with the Bank's own immediately available funds.

The obligation of the Bank to make a Revolving Loan under the Liquidity Agreement on any date is subject to the satisfaction of the conditions precedent that, on the date of such Loan: (1) the Bank shall have received a properly presented and conforming Notice of Loan from the Delivery and Paying Agent delivered not later than the time specified in the Liquidity Agreement and in accordance with the terms and conditions of the Liquidity Agreement, and (2) no Special Event of Default shall have occurred and no Suspension Event shall have occurred and be continuing. In addition, the Bank shall have no obligation to make any Revolving Loan the proceeds of which shall be used to pay the principal and/or interest with respect to maturing Commercial Paper Certificates that were issued after receipt by the Delivery and Paying Agent of a No-Delivery Notice.

Covenants

In the Liquidity Agreement, the City agrees that makes certain covenants, certain of which are not subject to cure by the City, as described below. In addition, The City's failure to comply with any of the covenants described below in paragraph (f) (*City to Maintain Existence*) or clause (i) of paragraph (l) (*Covenants and Legal Duties*) under the caption "*Covenants Not Subject to Cure Period*" below constitute Special Events of Default. See "Events of Default – *Special Events of Default*" below. Upon the occurrence of any Special Event of Default the Commitment shall automatically and immediately be terminated with respect to all outstanding Commercial Paper Certificates and the Bank shall have no obligation to make any Revolving Loan under the Liquidity Agreement. Upon the occurrence of any Suspension Event, the Commitment shall automatically and immediately be suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding and the Bank shall have no obligation to make any Revolving Loan under the Liquidity Agreement unless the obligation of the Bank to make Loans under the Liquidity Agreement is reinstated pursuant to the terms the Liquidity Agreement. Upon such termination or suspension, Base Rental payable from the City's general fund will be the sole source of principal and interest evidenced by the Commercial Paper Certificates. See also "– Remedies" below.

Covenants Not Subject to Cure Period. In the Liquidity Agreement, the City agrees that so long as any amounts may be drawn thereunder or any amount payable thereunder remains unpaid:

(a) *No Amendment Without Consent of the Bank.* Without the prior written consent of the Bank, the City will not agree or consent to any amendment, supplement, waiver or modification of any provision of any Related Document to which the City is a party that affects the rights, interests, security or remedies of the Bank under the Liquidity Agreement.

(b) *Outstanding Certificates Plus Interest Thereon Not to Exceed Available Commitment; No-Delivery after Receipt of No-Delivery Notice.*

(i) The City will instruct the Delivery and Paying Agent not to authenticate or deliver any Commercial Paper Certificate if, immediately after the authentication and delivery of, and receipt of payment for, such Certificate, the sum of (A) the face value of all discount Certificates and (B) the principal amount of all outstanding non-discount Certificates plus all interest to accrue on such non-discount Certificates to the maturity date thereof, would exceed the Available Commitment.

(ii) The City shall not instruct the Delivery and Paying Agent to authenticate or deliver any Commercial Paper Certificate if the Delivery and Paying Agent has received a No-Delivery Notice unless and until such No-Delivery Notice is rescinded.

(c) *Other Obligations.* The City will comply with and observe all other obligations and requirements set forth in the Trust Agreement and each other Related Document to which it is a party (including without limitation all provisions therein for the benefit of the Bank) in all material respects and in all laws, statutes and regulations binding upon it, noncompliance with which would materially adversely affect the City's ability to perform its obligations under the Certificates, the Liquidity Agreement or any of the Related Documents.

(d) *Dealer(s); Trustee; Delivery and Paying Agent.* The City will not, without the prior written consent of the Bank (which consent shall not be unreasonably withheld or delayed), appoint or permit the appointment of a successor Dealer or Delivery and Paying Agent. The City shall at all times maintain one or more Dealers and a Trustee and a Delivery and Paying Agent under the Trust Agreement. The City shall at all times cause each Dealer and the Delivery and Paying Agent to market, issue, and deliver, as applicable, Certificates up to the Maximum Rate. If any Reimbursement Obligation remains outstanding and any Dealer fails to sell the Certificates for 60 consecutive days, then the City shall, at the written request of the Bank, cause the applicable Dealer to be replaced with a Dealer reasonably satisfactory to the Bank. Any dealer agreement with a successor Dealer shall provide that (a) such Dealer may resign upon at least 60-days' prior written notice to the City, Delivery and Paying Agent and the Bank and (b) such Dealer shall use its best efforts to sell the Certificates up to the Maximum Rate.

(e) *Limitation on Voluntary Liens.* The City shall not create a pledge, lien or charge on any part of the Property or the Pledged Property, other than the lien in favor of holders of the Certificates and the Bank.

(f) *City to Maintain Existence.* The City agrees that it will maintain its existence as a charter city and county under the laws and Constitution of the State of California.

(g) *No Impairment.* The City will not take any action, or cause or permit the Trustee or the Delivery and Paying Agent to take any action, under the Trust Agreement, the Sublease or any other Related Document inconsistent with the rights and remedies of the Bank under the Liquidity Agreement.

(h) *Additional Obligations.* The City will not issue or authorize the issuance of any obligations payable from Base Rental or Additional Rental due under the Sublease other than the Certificates and the Revolving Bank Certificate.

(i) *References to the Bank.* The City shall not refer to any financial information or ratings with respect to the Bank in any official statement, offering memorandum, private placement memorandum or any similar offering document (or any amendment or supplement to an official statement, offering memorandum, private placement memorandum or any similar offering document) or make any changes in reference to any financial information or ratings with respect to the Bank in any official statement, offering memorandum, private placement memorandum or any similar offering document (or any amendment or supplement to an official statement, offering memorandum, private placement memorandum or any similar offering document) without the prior written consent of the Bank (the Bank hereby giving its written consent to the reference to it in the Offering Memorandum as in effect on the Effective Date to the extent the same conforms to information provided by the Bank for inclusion in the Offering Memorandum). For the avoidance of doubt, the City may identify (i) the Bank as a party to the Liquidity Agreement, (ii) the Available Commitment and (iii) the expiration date of the Liquidity Agreement in official statements, offering memoranda, private placement memoranda or any similar offering documents with respect to Lease Obligation Debt, so long as no other information relating to the Liquidity Agreement, the Fee Agreement or the Bank is disclosed in such official statements, offering memoranda, private placement memoranda or any similar offering documents without the prior written consent of the Bank.

(j) *Title Insurance.* Title insurance shall be provided and maintained in the manner and in form and substance as set forth in the Sublease; *provided* that notwithstanding anything contained in the Sublease or any other Related Document to the contrary, any policy of title insurance shall be subject only to such exceptions as shall be acceptable to the Bank, with such endorsements and affirmative coverages as may be reasonably required by the Bank, including endorsements regarding zoning and access to public roads, and otherwise in form and substance satisfactory to the Bank and its counsel and issued by an insurance company acceptable to the Bank and its counsel and authorized to issue such insurance in the State.

(k) *Maintenance of Insurance.* Insurance shall be provided and maintained in the manner and in form and substance as set forth in the Sublease.

(l) *Covenants and Legal Duties.* (i) Subject to the provisions in the Sublease relating to the delivery of Debt Service Certificate - Annual for the Base Rental Periods set forth in Section 3.1(g) thereof, the City agrees to include all Minimum Required Rental Payments due under the Sublease in each Fiscal Year in its annual budget and to make the necessary annual appropriations for all such Minimum Required Rental Payments, subject to the provisions of the Sublease relating to rental abatement set forth in Section 3.5 thereof.

(ii) Subject to the provisions in the Sublease relating to the delivery of Debt Service Certificate - Annual for the Base Rental Periods set forth in Section 3.1(g) thereof, the City agrees to include all Additional Rental due under the Sublease in each Fiscal Year in its annual

budget and to make the necessary annual appropriations for all such Additional Rental and for all Minimum Supplemental Rental Payments, if any, subject to Section 3.5 of the Sublease.

(iii) The covenants on the part of the City contained in the Liquidity Agreement and in the Sublease shall be deemed to be and shall be construed to be duties imposed by law, and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform such covenants and agreements.

(m) *Use of Loan Proceeds.* The City shall cause the Delivery and Paying Agent to use the proceeds of Loans made under the Liquidity Agreement solely to pay the principal and interest with respect to maturing Certificates.

(n) *Ratings.* The City shall give written notice to the Bank as soon as practicable of the increase, decrease, withdrawal or suspension of any rating maintained by Moody's, Fitch or S&P, to the extent such Rating Agency is then maintaining a rating on Lease Obligation Debt, in respect of the City's unenhanced Lease Obligation Debt, unless such rating is terminated due to the payment in full of such certificates of participation; *provided* that the requirement to provide such notice shall be satisfied if such information is publicly available on the Electronic Municipal Market Access system maintained by the Municipal Securities Rulemaking Board. The City shall cause to be maintained at all times long-term unenhanced ratings on its Lease Obligation Debt from at least two (2) of Moody's, Fitch and S&P. The City shall not withdraw any rating by any Rating Agency on the City's unenhanced Lease Obligation Debt in order to cure any Event of Default or reduce the Commitment Fee Rate then in effect.

(o) *Voluntary Rent Abatement.* Except as required by law and the terms of the Sublease, the City shall not seek or assert a claim for abatement of rental payments under the Sublease.

(p) *Immunity.* To the fullest extent permitted by law, the City agrees not to assert the defense of immunity (on the grounds of sovereignty or otherwise) in any proceeding by the Bank to enforce any of the obligations of the City under the Liquidity Agreement or any other Related Document.

(q) *Swap Agreements.* In no event shall the City enter into a Swap Contract with a claim on the General Fund of the City with any swap counterparty rated lower than "A" (or its equivalent) by any one of Fitch, S&P or Moody's at the time of entering into such Swap Contract, without the prior written consent of the Bank,

(r) *Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions; Use of Proceeds.* The City shall maintain in effect and enforce policies and procedures designed to ensure compliance by the City and its directors, officers, employees and agents with all Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions. The City shall not request any Revolving Loan, and the City shall not use, and shall ensure that its directors, officers, employees and agents shall not use, the proceeds of any Revolving Loans, directly or indirectly, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or Anti-Money Laundering Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto

Covenants Subject to Cure Period. In the Liquidity Agreement, the City agrees that so long as any amounts may be drawn thereunder or any amount payable thereunder remains unpaid:

(a) *Information.* The City will prepare or cause to be prepared and deliver to the Bank the following:

(i) as promptly as available, and in any event no later than 270 days after the end of each fiscal year of the City, commencing with the fiscal year ended June 30, 2022, the complete Annual Comprehensive Financial Report of the City, certified as to the fairness of presentation and conformity with GAAP consistently applied, by a recognized firm of independent certified public accountants;

(ii) concurrently with the delivery of the financial statements delivered to the Bank pursuant to (a)(i) above, a certificate from an Authorized Representative certifying that such Authorized Representative has no knowledge of any event which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both, that has occurred and is continuing and a certificate from an Authorized Representative of the City certifying that such Authorized Representative has no knowledge of any event which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both, that has occurred and is continuing;

(iii) within ninety (90) days of adoption of the most recently adopted annual operating budget of the City with respect to the City's General Fund, evidence that such annual operating budget with respect to the City's General Fund includes therein as a separate line item all Minimum Required Rental Payments and Additional Payments due during such period, if not otherwise paid from capitalized interest funded by proceeds of the Certificates; and

(iv) such other information respecting the affairs, conditions and/or operations, financial or otherwise, of the City or the Property, as the Bank may from time to time reasonably request.

All factual information delivered by City in writing to the Bank will be, to the knowledge of the authorized person delivering such information after reasonable inquiry, accurate and complete in all material respects on the date as of which such information is certified.

(b) *Incorporation of Covenants by Reference.* The City agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Related Documents to which it is a party, which provisions, as well as related defined terms contained in the Liquidity Agreement, are incorporated by reference in the Liquidity Agreement with the same effect as if each and every such provision were set forth therein in its entirety. To the extent that any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to any Person, for purposes of the Liquidity Agreement, such provision shall be complied with only if it is waived or consented to by the Bank and such document, opinion or other instrument shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Bank.

(c) *Defaults.* The City will promptly (and in any event within five Business Days) notify the Bank of the occurrence of any Default or Event of Default specifying the details of such Default

or Event of Default or event of default and the action that the City proposes to take with respect thereto.

(d) *Books, Records.* The City will permit, during normal business hours and from time to time, upon reasonable prior notice, the Bank or any of its agents or representatives to examine and make copies of and abstracts from the records and books of account of the City (except records and books of accounts the examination of which by the Bank is prohibited by law), and to discuss the affairs, finances and accounts of the City with any representative or any other appropriate officer of the City or the City's independent public accountants. Without limiting the foregoing, upon reasonable prior notice the City shall permit the Bank to visit and inspect any of the Property during regular business hours as often as the Bank may reasonably request.

(e) *Litigation; Material Change.* The City shall promptly notify the Bank of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, or (ii) the occurrence of any other event or change which could have a material adverse effect on (A) the ability of the City to perform its obligations under the Liquidity Agreement or under the other Related Documents or (B) the enforceability or validity of the Trust Agreement or any of the other Related Documents.

(f) *Obligations under Related Documents.* The City shall take all actions as may be reasonably requested by the Bank to enforce the obligations under the Related Documents of each of the other parties thereto.

(g) *Limitation on Voluntary Liens.* The City covenants to keep the Components and all parts thereof free from judgments, and materialmen's and mechanics' liens, claims, demands, encumbrances, liabilities and other liens of whatever nature or character, which, in each case, might hamper the City in utilizing the Components; and promptly, upon request of the Bank, to take such action from time to time as may be reasonably necessary or proper to remedy or cure any cloud upon or defect in the title to the Components or any part thereof, whether now existing or hereafter developing, to prosecute all actions, suits, or other proceedings as may be reasonably appropriate for such purpose.

(h) *Further Assurances.* The City will execute, acknowledge where appropriate, and deliver from time to time promptly at the request of the Bank all such instruments and documents as in the opinion of the Bank are reasonably necessary or desirable to carry out the intent and purposes of the Liquidity Agreement.

(i) *Alternate Credit Facility*. The City agrees to use its best efforts to obtain an Alternate Credit Facility for the Liquidity Agreement in the event that (A) the Bank decides not to extend the Stated Expiration Date (such replacement to occur on the then current Stated Expiration Date), (B) any Revolving Loan made thereunder converts to a Term Loan or (C) the Liquidity Agreement shall otherwise terminate in accordance with its terms.

(j) *ERISA.* The City will comply in all material respects with Title IV of ERISA, if, when and to the extent applicable.

(k) *Swap Agreements.* (i) The City will use its best efforts to enter into all future Swap Contracts with a claim on the General Fund of the City with counterparties rated "AA-" (or its equivalent) or better by at least one Fitch, S&P or Moody's.

(l) *Future Credit Facilities.* (i) In the event that the City shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement, which such Bank Agreement provides such Person with additional or more restrictive covenants, additional or more restrictive events of default, shorter amortization periods with respect to term outs and/or rights or remedies than are provided to the Bank in the Liquidity Agreement or a maximum rate with respect to the obligations under the related Bank Agreement in excess of 12% per annum (any such right, an "*Additional Right*"), any such Additional Right shall automatically be deemed to be incorporated into the Liquidity Agreement and the Bank shall have the benefits of such Additional Right. Upon the request of the Bank, the City shall promptly, enter into an amendment to the Liquidity Agreement to include such Additional Right, provided that the Bank shall maintain the benefit of such Additional Right even if the City fails to provide such amendment. Notwithstanding the foregoing, no Additional Right (except for those relating to shorter amortization periods with respect to term outs or a maximum rate as described further below) shall be incorporated by reference into the Liquidity Agreement, and the City shall have no obligation to enter into an amendment to include any such Additional Right, if the related Bank Agreement is entered into by the City after the four (4) month anniversary of the Effective Date; except that any Additional Right relating to shorter amortization periods with respect to term outs or a maximum rate with respect to the obligations under the related Bank Agreement in excess of 12% per annum shall be incorporated into the Liquidity Agreement by reference pursuant to the Liquidity Agreement, and the City shall enter into an amendment to the Liquidity Agreement to include such Additional Right, no matter when such Bank Agreement is entered into. If the City shall amend the related Bank Agreement such that it no longer provides for such Additional Right, then, without the consent of the Bank the Liquidity Agreement shall be deemed to automatically no longer contain the related Additional Right and the Bank shall no longer have the benefits of any such Additional Right.

(ii) Notwithstanding anything to the contrary set forth in the Liquidity Agreement, (1)(x) the obligations of the Bank thereunder may not be immediately terminated or suspended other than as a result of a Special Event of Default or a Suspension Event (in each case, as such terms are defined as of the Effective Date or as amended pursuant to any amendment thereto in accordance with the Liquidity Agreement) and (y) no additional condition precedent, or modification of any existing condition precedent, to the extension of Revolving Loans may be added to Section 3.2 of the Liquidity Agreement relating to the conditions precedent to making Revolving Loans, in each case, in connection with any such amendment, unless (2) (a) the then-current ratings on the Certificates (and the City shall use its best efforts to cause each such Rating Agency to provide a rating confirmation prior to the date on which the related Bank Agreement becomes effective) shall have been confirmed by each Rating Agency then rating the Certificates and (b) such amendment shall only become effective on a date on which all Certificates have matured (and the City shall (x) use its best efforts to cause any Commercial Paper Certificates outstanding on and after the date on which the related Bank Agreement becomes effective to be rolled only to the maturity date of the longest maturity date of any outstanding Certificates on the date on which the related Bank Agreement becomes effective and (y) update the Offering Memorandum with respect to the related changes prior to offering Certificates after such date with the amendments).

(iii) The City shall not, directly or indirectly, enter into or otherwise consent to any Bank Agreement, which such Bank Agreement provides the counterparty thereto with additional or more restrictive events of default or additional or modified conditions precedent the remedy for which, or the result of which, is in an immediate termination or suspension of the obligations of the related provider than are provided to the Bank in the Liquidity Agreement or which are incorporated into the Liquidity Agreement pursuant to an amendment referred to in paragraph (l)(i) above.

(m) *Fair Rental Value.* In the event the aggregate fair rental value of all of the Components is less than the aggregate principal of and interest on all Term Loans (or Default Advances if such Term Loans have been converted to Default Advances under the Liquidity Agreement) outstanding in any calendar year, the City will use its best efforts to either (i) take all steps necessary to seek an appropriation from the City's General Fund in an amount equal to such difference between the aggregate principal of and interest on all Term Loans (or Default Advances if such Term Loans have been converted to Default Advances under the Liquidity Agreement) outstanding and such fair rental value and use such appropriation to prepay the Term Loans (or Default Advances if such Term Loans have been converted to Default Advances under the Liquidity Agreement) or (ii) obtain an Alternate Credit Facility to replace the Bank's obligations under the Liquidity Agreement or to otherwise refinance the Certificates.

(n) *Tax-Exempt Certificates.* The City shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the tax-exempt status of any Commercial Paper Certificate issued as tax-exempt.

Events of Default

Upon the occurrence of any Special Event of Default or Suspension Event, the Commitment will automatically and immediately be terminated or suspended, respectively, with respect to all outstanding Commercial Paper Certificates and the Bank shall have no obligation to make any Revolving Loan unless, in the event of a Suspension Event only, the Bank's obligations are reinstated pursuant to the Liquidity Agreement.

***Special Events of Default*. The occurrence of any of the following events are both an *"Event of Default"* and a *"Special Event of Default"* under the Liquidity Agreement:**

(a) the City shall fail to pay any Reimbursement Obligation or interest thereon as and when due under the Liquidity Agreement (but excluding (i) any failure to pay any Reimbursement Obligation accelerated in accordance with Section 6.4 of the Liquidity Agreement for any reason other than nonpayment thereof as described in this paragraph (a) and (ii) any failure to pay any Reimbursement Obligation solely because the amount of such unpaid Reimbursement Obligation exceeds the fair rental value with respect to the Components subject to the Sublease for such Base Rental Period);

(b) The City shall default in the performance of any of the covenants described in paragraph (f) (*City to Maintain Existence*) or clause (i) of paragraph (l) (*Covenants and Legal Duties*) under the caption "– Events of Default – *Covenants Not Subject to Cure Period*."

(c) The City shall fail to pay when due and payable any principal of or interest on any Special Lease Obligation Debt (including, in each case, without limitation, any principal or sinking fund installments but excluding a failure to pay any amount of Special Lease Obligation Debt described in clause (v) of the definition of "Special Lease Obligation Debt" in the Liquidity Agreement which has been accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or other similar instrument for any reason other than nonpayment thereof), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning the Special Lease Obligation Debt; or any failure to pay the principal of or interest on any Special Lease Obligation Debt under any indenture, contract or instrument providing for the creation of or

concerning such Special Lease Obligation Debt shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay the principal of or interest on any Special Lease Obligation Debt is to accelerate, or to permit the acceleration of, the maturity of such Special Lease Obligation Debt;

(d) The City shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall declare a moratorium on any Special Lease Obligation Debt, or shall take any action to authorize any of the foregoing; or any Governmental Authority of appropriate jurisdiction shall declare a moratorium with respect to the Certificates, the Obligations and/or all of the debt of the City payable from and/or secured by lease revenue rental payments payable from the General Fund of the City;

(e) (i) A case or other proceeding shall be commenced against the City (x) seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or (y) seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or any writ, judgment, warrant of attachment, execution or similar process against all or any substantial part of its assets, and such involuntary case shall remain undismissed and unstayed for a period of sixty (60) days; or (ii) an order for relief shall be entered against the City or under the federal bankruptcy laws as now or hereafter in effect, or any writ, judgment, warrant of attachment, execution or similar process shall be issued or levied against a substantial part of the property, assets or business of the City, and such proceedings or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be stayed, released, appealed, vacated or fully bonded, within the time permitted by law after commencement, filing or levy, as the case may be;

(f) (i) Any provision of the Liquidity Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement, or the Trust Agreement related to the payment of principal or interest with respect to the Certificates or the Revolving Bank Certificate or the pledge of the Pledged Property shall at any time for any reason cease to be valid and binding or enforceable on the City as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of the Liquidity Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement or the Trust Agreement related to the payment of principal or interest with respect to the Certificates or the Revolving Bank Certificate or the pledge of the Pledged Property shall be publicly contested in writing by an authorized officer of the City or (b) any Governmental Authority having appropriate jurisdiction over the City shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any provision of the Liquidity Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement or the Trust Agreement related to the payment of principal or interest with respect to the Certificates or the Revolving Bank Certificate or the pledge of the Pledged Property, or (c) an authorized officer of the City shall publicly deny in writing that it has any or further liability or obligation under the Liquidity Agreement, the Certificates, the Revolving Bank Certificate, the Delivery and Paying Agent Agreement or the Trust Agreement;

(g) The long-term unenhanced rating assigned by Moody's, Fitch and S&P (to the extent such Rating Agencies are then maintaining a rating on Lease Obligation Debt) to any Lease Obligation Debt which is senior to or on a parity with the Certificates and the Revolving Bank Certificate shall be withdrawn or suspended, in either case, for credit related reasons or reduced below "Baa3" (or its equivalent), "BBB-" (or its equivalent) and "BBB-" (or its equivalent), respectively; or

(h) One or more final, nonappealable judgments or orders for the payment of money in the aggregate amount of $25,000,000 or more shall be rendered against the City and such judgment or order shall continue unsatisfied and unstayed for a period of 60 days.

Suspension Events. **The obligation of the Bank to make a Revolving Loan under the Liquidity Agreement on any date is subject to certain conditions precedent, including that no** Suspension **Event shall have occurred and be continuing as of the date of such loan. Under the Liquidity Agreement, the occurrence of the following events each constitute "Suspension Events":**

(a) the commencement of a case or other proceeding against the City (x) seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law in effect on or after the date of the Liquidity Agreement or (y) seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or any writ, judgment, warrant of attachment, execution or similar process against all or any substantial part of its assets, and such involuntary case shall remain undismissed and unstayed for a period of 60 days; and

(b) the entry of an order for relief against the City or under the federal bankruptcy laws as now or hereafter in effect, or the issuance or levy of any writ, judgment, warrant of attachment, execution or similar process against a substantial part of the property, assets or business of the City, and such proceedings or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be stayed, released, appealed, vacated or fully bonded, within the time permitted by law after commencement, filing or levy, as the case may be;

Events of Default Not Constituting Special Events of Default. In addition to the Events of Default described under the caption "– Events of Default – *Special Events of Default*" above, the occurrence of any of the following events also constitute an "Event of Default" under the Liquidity Agreement, but not a "Special Event of Default" thereunder:

(a) the City shall fail to pay (i) any Reimbursement Obligation or interest thereon as and when due under the Liquidity Agreement (including, without limitation, (A) any failure to pay any Reimbursement Obligation accelerated in accordance with the Liquidity Agreement for any reason and (B) any failure to pay any Reimbursement Obligation because the unpaid amount of such Reimbursement Obligation exceeds the fair rental value with respect to the Components subject to the Sublease for such Base Rental Period); (ii) any fee set forth in certain specified sections of the Fee Agreement as and when due under the Liquidity Agreement or thereunder and the continuance of such failure for a period of 3 Business Days, (iii) any other Obligation (other than Obligations specified in paragraph (a) appearing under the caption "– Events of Default – *Special Events of Default*" or clause (i) or (ii) above) as and when due under the Liquidity Agreement and the continuance of such failure for a period of 30 days after written notice thereof or (iv) the principal of

any Commercial Paper Certificate when due, but in the case of this clause (iv) only, solely in the event a Suspension Event has occurred and is continuing;

(b) The City shall default in the performance of any of the covenants described under the caption "– Covenants – *Covenants Not Subject to Cure Period"*;

(c) The City shall default in the performance of any other term, covenant or agreement set forth herein and such failure shall continue for a period of 30 days after the earlier to occur of (i) written notice thereof shall have been given to the City by the Bank or (ii) the 10th day after the Controller of the City shall have actual knowledge of such default;

(d) Any representation, warranty, certification or statement made by the City (or incorporated by reference) in the Liquidity Agreement or by the City in any other Related Document or in any certificate, financial statement or other document delivered pursuant to the Liquidity Agreement or any other Related Document shall prove to have been incorrect in any material respect when made or deemed made;

(e) the City shall (A) fail to make any payment on any Material City Debt (other than the Certificates or as set forth in clause (i) of this paragraph (e)) or any interest or premium thereon when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Material City Debt; or (B) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any Material City Debt when required to be performed or observed, and such failure shall not be waived and shall continue after the later of (1) five Business Days after notice of such failure or (2) the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to perform or observe is to accelerate the maturity of such Material City Debt; or (C) any Material City Debt shall be declared to be due and payable or be required to be prepaid (other than by a regularly scheduled required prepayment or an optional prepayment), prior to the stated maturity thereof; *provided, however,* that in the case of clause (A) or (B) any such failure shall not be considered an Event of Default under the Liquidity Agreement if the same is being contested in good faith and by appropriate proceedings and such contest shall operate to stay the acceleration of the maturity of such Material City Debt;

(f) The Trustee shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall declare a moratorium, or shall take any action to authorize any of the foregoing;

(g) (i) A case or other proceeding shall be commenced against the Trustee (x) seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or (y) seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or any writ, judgment, warrant of attachment, execution or similar process against all or any substantial part of its assets, and such involuntary case shall remain undismissed and unstayed for a period of 60

days; or (ii) an order for relief shall be entered against the Trustee under the federal bankruptcy laws as now or hereafter in effect, or any writ, judgment, warrant of attachment, execution or similar process shall be issued or levied against a substantial part of the property, assets or business of the Trustee, and such proceedings or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be stayed, released, appealed, vacated or fully bonded, within the time permitted by law after commencement, filing or levy, as the case may be;

(h) any provision of the Liquidity Agreement or any Related Document other than a provision described in paragraph (f) under the caption "– Events of Default – *Special Events of Default*" shall cease for any reason whatsoever to be a valid and binding agreement of the City or the Trustee, or the City or the Trustee shall contest the validity or enforceability thereof;

(i) Any pledge or security interest created under the Liquidity Agreement or under the Trust Agreement to secure any amounts due under the Liquidity Agreement shall fail to be valid or fully enforceable;

(j) An event of default shall occur under any of the Related Documents (other than the Liquidity Agreement) or the City shall fail to make any payment under the Sublease when and as due;

(k) (i) Any long-term unenhanced rating assigned by Moody's, Fitch or S&P (to the extent such Rating Agency is then maintaining a rating on Lease Obligation Debt) to any Lease Obligation Debt shall be withdrawn, suspended or otherwise unavailable for credit related reasons, or (ii) any long-term unenhanced ratings assigned by Moody's, Fitch or S&P (to the extent such Rating Agency is then maintaining a rating on Lease Obligation Debt) on any Lease Obligation Debt shall be reduced below *"Baa1"* (or its equivalent), *"BBB+"* (or its equivalent) or *"BBB+"* (or its equivalent), respectively; *provided, however*, that, for purposes of this clause (ii), Lease Obligation Debt shall mean, (x) in the case of Moody's, if Moody's assigns different long-term unenhanced ratings to Lease Obligation Debt, such Lease Obligation Debt with the highest long-term unenhanced rating assigned by Moody's, (y) in the case of S&P, if S&P assigns different long-term unenhanced ratings to Lease Obligation Debt, such Lease Obligation Debt with the highest long-term unenhanced rating assigned by S&P, and (z) in the case of Fitch, if Fitch assigns different long-term unenhanced ratings to Lease Obligation Debt, such Lease Obligation Debt with the highest long-term unenhanced rating assigned by Fitch;

(l) Any Event of Default (or term of like meaning or effect) shall have occurred under any Bank Agreement related to any Lease Obligation Debt;

(m) The Internal Revenue Service declares the interest with respect to any Commercial Paper Certificate issued as tax-exempt is not excludable from gross income for federal income tax purposes; or

(n) any Governmental Authority of appropriate jurisdiction shall declare a moratorium with respect to any of the debt of the City.

Remedies

If any Event of Default shall have occurred and be continuing, the Bank may declare the Revolving Bank Certificate, in whole or in part, all or some Reimbursement Obligations, as well as

any other Obligation, and all interest thereon to be a Default Advance under the Liquidity Agreement due and payable in the manner set forth in the Liquidity Agreement. Notwithstanding anything to the contrary in the immediately foregoing sentence, upon the occurrence or existence of an Event of Default of the type described in paragraph (d) or (e) appearing under the caption "– Events of Default – *Special Events of Default*", the remedies described in the immediately preceding sentence shall occur immediately and automatically without notice or further action on the part of the Bank or any other person.

From and after the occurrence an Event of Default, all Obligations shall bear interest at the Default Rate.

Upon the occurrence of any Special Event of Default, the Commitment shall automatically and immediately terminate with respect to all outstanding Certificates and the Bank shall have no obligation to make any Revolving Loan.

Upon the occurrence of an Event of Default that is not a Special Event of Default, the Bank may, by notice to the City, terminate the Commitment (except as provided below), deliver a No-Delivery Notice to the Delivery and Paying Agent directing the Delivery and Paying Agent to cease issuing any Certificates, whereupon no additional Commercial Paper Certificates shall be issued, the Available Commitment shall immediately be reduced to the then outstanding principal amount of Commercial Paper Certificates, and the Available Commitment shall be further reduced in a similar manner as and when such Commercial Paper Certificates mature; *provided* that the Commitment shall not terminate, and the right of the Bank to declare the Revolving Bank Certificate, in whole or in part, all or some Reimbursement Obligations, as well as any other Obligation, and all interest thereon to be a Default Advance under the Liquidity Agreement due and payable in the manner set forth in the Liquidity Agreement shall not affect the obligation of the Bank to make Revolving Loans in an aggregate principal amount equal to the Commitment to the extent necessary for the City to make required payments of principal of the Commercial Paper Certificates issued and sold prior to the date upon which the No-Delivery Notice is received by the Delivery and Paying Agent; *provided further* that if any Revolving Loan is made that would not have been made but for the application of the immediately preceding provision, such Revolving Loan shall be immediately due and payable on the date such Revolving Loan was made.

Upon the occurrence of a Default under the caption "– Events of Default – *Suspension Events*.", the obligation of the Bank to make Revolving Loans under the Liquidity Agreement shall be automatically and immediately suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, the obligation of the Bank to make Loans under the Liquidity Agreement shall be reinstated and the terms of the Liquidity Agreement will continue in full force and effect (unless the obligation of the Bank to make Loans under the Liquidity Agreement shall have otherwise expired or terminated in accordance with the terms of the Liquidity Agreement or there has occurred a Special Event of Default) as if there had been no such suspension.

Failure to take action in regard to one or more Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Events of Default.

The Liquidity Agreement states that nothing contained therein will result in, or be construed to require, an acceleration of Base Rental under the Sublease or is intended to abrogate abatement of Base Rental made in accordance with the terms of the Sublease.

Each Loan, to the extent not required to be repaid earlier under the terms and conditions of the Liquidity Agreement, shall mature on the earliest to occur of (i) the date which is three (3) years from the related Funding Date, (ii) the Substitution Date, (iii) the date which is three (3) years from the related Commitment Termination Date, (iv) the date on which the Certificates are no longer outstanding nor may be reissued, (v) the date that the Available Commitment is permanently reduced to zero or the Liquidity Agreement is otherwise terminated, including upon the occurrence of an Event of Default and (vi) the date on which the City issues Certificates (or other commercial paper notes) or bonds payable from and/or secured by lease revenue rental payments payable from the General Fund of the City, the proceeds of which could be used to repay such Loan. The Stated Expiration Date of the Commitment may be extended as provided in the Liquidity Agreement. The City may not reduce the Commitment to a level such that the Available Principal Commitment is less than the outstanding principal amount of the Commercial Paper Certificates or the Available Interest Commitment is less than the amount of accrued interest on Outstanding Commercial Paper Certificates to their respective maturity dates.

Substitution of Liquidity Agreement

The City may obtain an alternate liquidity agreement to replace the liquidity agreement then in effect; provided, no such substitution may result in the reduction of the Commitment to a level less than the outstanding principal amount of Commercial Paper Certificates supported by such liquidity agreement outstanding.

THE BANK

The information under this heading has been provided solely by the Bank and is believed to be reliable. This information has not been verified independently by the City. The City makes no representation whatsoever as to the accuracy, adequacy or completeness of such information.

Wells Fargo Bank, National Association

The Bank is a national banking association organized under the laws of the United States of America with its main office at 101 North Phillips Avenue, Sioux Falls, South Dakota 57104, and engages in retail, commercial and corporate banking, real estate lending and trust and investment services. The Bank is an indirect, wholly-owned subsidiary of Wells Fargo & Company ("Wells Fargo"), a diversified financial services company, a financial holding company and a bank holding company registered under the Bank Holding Company Act of 1956, as amended, with its principal executive offices located in San Francisco, California ("Wells Fargo").

The Bank prepares and files Call Reports on a quarterly basis. Each Call Report consists of a balance sheet as of the report date, an income statement for the year-to-date period to which the report relates and supporting schedules. The Call Reports are prepared in accordance with regulatory instructions issued by the Federal Financial Institutions Examination Council. While the Call Reports are supervisory and regulatory documents, not primarily accounting documents, and do not provide a complete range of financial disclosure about the Bank, the reports nevertheless provide important information concerning the Bank's financial condition and results of operations. The Bank's Call Reports are on file with, and are publicly available upon written request to the FDIC, 550 17th Street, N.W., Washington, D.C. 20429, Attention: Division of Insurance and Research. The FDIC also maintains an internet website that contains the Call Reports. The address of the FDIC's website is http://www.fdic.gov. The Bank's Call Reports are also available upon written request to the Wells

Fargo Corporate Secretary's Office, Wells Fargo Center, MAC N9305-173, 90 South 7th Street, Minneapolis, MN 55479.

The Liquidity Agreement will be solely an obligation of the Bank and will not be an obligation of, or otherwise guaranteed by, Wells Fargo & Company, and no assets of Wells Fargo & Company or any affiliate of the Bank or Wells Fargo & Company will be pledged to the payment thereof. Payment of the Letter of Credit will not be insured by the FDIC.

The information contained in this section, including financial information, relates to and has been obtained from the Bank, and is furnished solely to provide limited introductory information regarding the Bank and does not purport to be comprehensive. Any financial information provided in this section is qualified in its entirety by the detailed information appearing in the Call Reports referenced above. The delivery hereof shall not create any implication that there has been no change in the affairs of the Bank since the date hereof.

THE TRUSTEE AND DELIVERY AND PAYING AGENT

U.S. Bank Trust Company, National Association, an affiliate of the Dealer, has been appointed and is serving as Trustee and Delivery and Paying Agent for the Commercial Paper Certificates pursuant to the Trust Agreement and the Delivery and Paying Agent Agreement.

THE DEALER

The City has appointed J.P. Morgan Securities LLC as the dealer with respect to the offering and sale of the Commercial Paper Certificates. Additional dealers may be engaged from time to time to offer and sell the Commercial Paper Certificates.

TAX MATTERS

Federal Tax Status. On November 15, 2021, in connection with a technical reissuance of the Series 2 Certificates under federal tax law on such date, Jones Hall, A Professional Law Corporation, San Francisco, California, as Special Counsel to the City, rendered its opinion to the effect interest with respect to the first Series 2 Certificates executed and delivered on and after November 15, 2021, and interest with respect to any Series 2 Certificates executed and delivered from time to time by the City through the date that is 18 months after the date of execution and delivery of the first Series 2 Certificates executed and delivered on or after November 15, 2021, that the City elects to treat as part of the same issue of Series 2 Certificates, is excluded from gross income of the owners for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence were subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended that must be satisfied subsequent to the execution and delivery of the Series 2 Certificates in order that such interest be, or continue to be, excluded from gross income for federal income tax purposes. The City made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the original date of execution and delivery of the Series 2 Certificates. The form of the opinion rendered by Special Counsel with respect to the Series 2 Certificates on November 15, 2021, is attached to this Offering Memorandum as Appendix A.

The 18-month period described in the preceding paragraph will expire on May 15, 2023. Under the Liquidity Agreement, prior to the issuance of Tax-Exempt Certificates on or after such date, the City is required to deliver a letter addressed to the Bank from Jones Hall, A Professional Law Corporation, Special Counsel, entitling the Bank to rely on such firm's approving opinion addressed to the City with respect to the exemption of interest on the Series 2 Certificates from the gross income of the recipients thereof for federal income tax purposes. No Series 2 Certificates will be issued on or after May 15, 2023 prior to the delivery of such letter.

The City anticipates taking any and all actions necessary to comply with all requirements of the Code that must be satisfied subsequent to the execution and delivery of any Series 2 Certificates after the date hereof in order that such interest with respect to such Series 2 Certificates be, or continue to be, excluded from gross income for federal income tax purposes.

Interest on the Series 2-T Certificates is not intended by the City to be excluded from gross income for federal income tax purposes.

California Tax Status. On November 15, 2021, Special Counsel rendered its opinion that interest with respect to the Commercial Paper Certificates is exempt from personal income taxes of the State of California under then present state law. The form of the opinion rendered by Special Counsel with respect to the Series 2 Certificates on November 15, 2021, is attached to this Offering Memorandum as Appendix A.

No Reaffirmation. Special Counsel has not been asked to, and does not, express any opinion as to whether interest on the Commercial Paper Certificates is as of the date of this Offering Memorandum excludable from gross income for federal income tax purposes or as to whether interest on the Commercial Paper Certificates is as of the date of this Offering Memorandum exempt from personal income taxes of the State of California. Neither the inclusion in this Offering Memorandum of the form of opinion rendered by Special Counsel November 15, 2021, nor the descriptions thereof above, shall constitute a reaffirmation of such opinion.

NO LITIGATION

Upon the initial delivery of the Commercial Paper Certificates, the City will execute a certificate to the effect that there is no litigation pending which has been formally served upon the City or of which the City has formally been given notice, in any way restraining or enjoining the execution or delivery of the Commercial Paper Certificates.

LEGAL MATTERS

Certain legal matters in connection with the authorization, issuance and sale of the Commercial Paper Certificates have been passed upon by Jones Hall, A Professional Law Corporation, San Francisco, California, as Special Counsel. Certain legal matters in connection with the Liquidity Agreement were passed upon by Chapman and Cutler LLP, Chicago, Illinois, as special counsel for the Bank. Certain legal matters were passed upon for the City by the City Attorney for the City and County of San Francisco.

MUNICIPAL ADVISOR

The City has retained KNN Public Finance, LLC ("KNN Public Finance"), as municipal advisor with respect to the execution and delivery of the Commercial Paper Certificates. KNN Public Finance is not obligated to undertake, and has not undertaken to make, an independent

verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Offering Memorandum.

INFORMATION INCORPORATED BY REFERENCE

Pursuant to Rule 15c2-12, the City has entered into undertakings, for the benefit of the holders of certain bonds, to provide specified disclosure information from time to time. This disclosure information consists of: (i) a report (an "Annual Report") containing specified updated disclosure information to be filed not later than 270 days after the end of the City's fiscal year (which currently ends June 30) with the Electronic Municipal Market Access system ("EMMA") maintained by the Municipal Securities Rulemaking Board; and (ii) a notice of each occurrence of certain enumerated events, to be filed with EMMA.

The City hereby incorporates by this reference into this Offering Memorandum, on the date of this Offering Memorandum, the following sections (the "Incorporated Sections") from the [[Remarketing Supplement Dated May 31, 2022 supplementing the Official Statement dated September 4, 2008, as supplemented by the Remarketing Supplement dated October 6, 2014 with respect to the City and County of San Francisco Finance Corporation Lease Revenue Refunding Bonds, Series 2008-1 (Moscone Center Expansion Project) and City and County of San Francisco Finance Corporation Lease Revenue Refunding Bonds, Series 2008-1 (Moscone Center Expansion Project), filed with EMMA and available at https://emma.msrb.org/P21576769-P21217385-P21638883.pdf]]:[1]

- "THE CITY AND COUNTY OF SAN FRANCISCO"
- "CERTAIN RISK FACTORS RELATING TO THE CITY AND COUNTY OF SAN FRANCISCO"
- Appendix B – City and County of San Francisco Organization and Finances
- [[The Annual Comprehensive Financial Report of the City and County of San Francisco for the Fiscal Year Ended June 30, 2021 appended thereto as Appendix C.]]

In addition, the City hereby incorporates by this reference into this Offering Memorandum after the date of this Offering Memorandum and from time to time (i) the Incorporated Sections from the most recent Official Statement or other offering document filed by the City with EMMA with respect to its general obligation bonds, lease revenue certificates of participation executed and delivered from time to time on behalf of the City and lease revenue bonds issued from time to time by the County of San Francisco Finance Corporation for the benefit of the City, and (ii) if more recent than the item incorporated by reference by clause (i), the most recent Annual Report filed by the City with EMMA with respect to its general obligation bonds, lease revenue certificates of participation executed and delivered from time to time on behalf of the City and lease revenue bonds issued from time to time by the County of San Francisco Finance Corporation for the benefit of the City and any subsequent statements or notices filed with EMMA regarding the impacts of COVID-19 on the City's operations and finances.

The City is not required by Rule 15c2-12, and does not intend, to enter into any undertaking to provide updated disclosure information to holders of the Certificates.

[1] NTD: To be updated to reflect most recent public offering of general obligation bonds or lease revenue COPs or bonds prior to distribution; City to provide.

RATINGS

Moody's Investors Service, Inc. ("Moody's"), S&P Global Ratings ("S&P") and Fitch Inc. ("Fitch") have assigned short-term ratings to the Commercial Paper Certificates of "__," "__" and "__," respectively. Each of such ratings is based on the availability of the revolving line of credit from the Bank. Such ratings reflect only the views of such organizations and an explanation of the significance of such ratings may be obtained only from the respective rating agencies. The City furnished to such rating agencies certain City information regarding the Commercial Paper Certificates. In addition, the Bank furnished certain information to such rating agencies regarding the Bank and the Liquidity Agreement.

Generally, rating agencies base their ratings on the information and materials furnished to them and on their own investigations, studies and assumptions. There is no assurance such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such change in or withdrawal of such ratings could have an adverse effect on the market price of the Commercial Paper Certificates. The City undertakes no responsibility to oppose any such change or withdrawal. The above ratings are not recommendations to buy, sell or hold the Commercial Paper Certificates.

OTHER MATTERS

The Dealer has provided the following sentence for inclusion in this Offering Memorandum. The Dealer has reviewed the information in this Offering Memorandum in accordance with, and as part of, their responsibility to investors under the federal securities law as applied to the facts and circumstances of this transaction, but the Dealer does not guarantee the accuracy or completeness of such information.

The information and expressions of opinion in this Offering Memorandum are subject to change without notice and neither the delivery of this Offering Memorandum nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in such information or expressions of opinion since the date hereof.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Offering Memorandum.

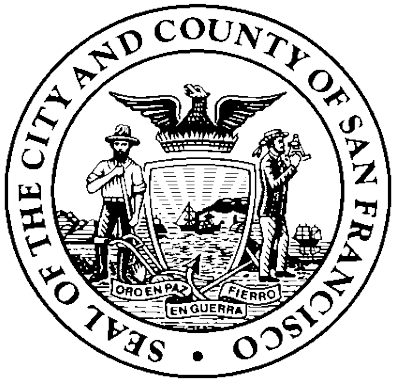
MISCELLANEOUS

The foregoing and subsequent summaries or descriptions of provisions of the Certificates, the Trust Agreement, the Delivery and Paying Agent Agreement, the Sublease, the Bank, the Liquidity Agreement and all references to other materials not purporting to be quoted in full are only brief outlines of some of the provisions thereof and do not purport to summarize or describe all of the provisions thereof, and statements herein are qualified in their entirety by reference to said documents for full and complete statements of the provisions.

The preparation and distribution of this Offering Memorandum have been duly authorized by the City

CITY AND COUNTY OF SAN FRANCISCO

By: _____
Director of the Office of Public Finance


SEAL OF THE CITY AND COUNTY OF SAN FRANCISCO
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APPENDIX A

FORM OF OPINION OF SPECIAL COUNSEL

APPENDIX B

INFORMATION REGARDING DTC AND THE BOOK-ENTRY ONLY SYSTEM

Neither the City, the Trustee nor the Delivery and Paying Agent will have any responsibility or obligation to DTC Participants, Indirect Participants or Beneficial Owners with respect to the payments or the providing of notice to DTC Participants, Indirect Participants or Beneficial Owners. Neither the City nor the Issuing and Paying Agent can give any assurances that DTC, DTC Participants, Indirect Participants or others will distribute payments of principal of and interest on the Commercial Paper Certificates paid to DTC or its nominee, as the registered Owner, or any notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in the manner described in this Offering Memorandum.

The following information regarding DTC and its book-entry only system has been furnished by DTC for inclusion herein. The City cannot and does not make any representation as to the accuracy or completeness thereof, or the absence of material adverse changes therein subsequent to the date hereof. Beneficial Owners should confirm the following information with DTC or the Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Commercial Paper Certificates. The Commercial Paper Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Commercial Paper Certificate will be issued for each series of Commercial Paper Certificates, each in the aggregate authorized principal amount of such series, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

Purchases of the Commercial Paper Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Commercial Paper Certificates on DTC's records. The ownership interest of each actual purchaser of each Commercial Paper Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Commercial Paper Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Commercial Paper Certificates, except in the event that use of the book-entry system for the Commercial Paper Certificates is discontinued.

To facilitate subsequent transfers, all Commercial Paper Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Commercial Paper Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Commercial Paper Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Commercial Paper Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Commercial Paper Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Commercial Paper Certificates, such as tenders, defaults, and proposed amendments to the authorizing documents. For example, Beneficial Owners of the Commercial Paper Certificates may wish to ascertain that the nominee holding the Commercial Paper Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Commercial Paper Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Commercial Paper Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal and interest with respect to the Commercial Paper Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Delivery and Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and

will be the responsibility of such Participant and not of DTC (nor its nominee), the Trustee, the Delivery and Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest with respect to the Commercial Paper Certificates to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Issuing and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Commercial Paper Certificates at any time by giving reasonable notice to the City, the Trustee or the Delivery and Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Commercial Paper Certificate certificates are required to be printed and delivered, as described in the Trust Agreement.

The City may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Commercial Paper Certificate certificates will be printed and delivered to DTC as described in the Trust Agreement.

The information in this Appendix B concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

The foregoing description of the procedures and record-keeping with respect to beneficial ownership interests in the Commercial Paper Certificates, payment of the principal, interest and other payments with respect to the Commercial Paper Certificates to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interests in such Commercial Paper Certificates and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The City cannot and does not give any assurances that DTC will distribute to DTC Participants, or that DTC Participants or others will distribute to the Beneficial Owners, payments of principal and interest with respect to the Commercial Paper Certificates paid or any redemption or other notices or that they will do so on a timely basis or will serve and act in the manner described in this Offering Memorandum. The City is not responsible or liable for the failure of DTC or any DTC Participant or Indirect Participant to make any payments or give any notice to a Beneficial Owner with respect to the Commercial Paper Certificates or any error or delay relating thereto.

So long as Cede & Co. is the registered owner of the Commercial Paper Certificates, as nominee of DTC, references herein to the Owners or registered holders of the Commercial Paper Certificates, shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Commercial Paper Certificates.

APPENDIX C

FORM OF THE LIQUIDITY AGREEMENT

OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

Anna Van Degna
Director of Public Finance

MEMORANDUM

TO: Honorable Members, Board of Supervisors

FROM: Anna Van Degna, Director of Public Finance
Vishal Trivedi, Office of Public Finance
Keith Sevigny, Office of Public Finance

DATE: **Thursday, January 19, 2023**

SUBJECT: **Resolution re-authorizing the City Commercial Paper Program's Series 1&2 in an amount not to exceed $150,000,000 and authorizing the delivery of an alternate credit facility to support the program**

Recommended Action

We respectfully request that the Board of Supervisors (the "Board") review and consider for approval the resolution ("Resolution") re-authorizing the issuance of Lease Revenue Commercial Paper Certificates of Participation, Series 1 & Series 2 (Tax-Exempt) and Series 1-T & Series 2-T (Taxable) (together "CP Series 1&2"), in an aggregate principal amount not to exceed $150,000,000 to finance the acquisition, construction, and rehabilitation of capital improvements and capital equipment approved by the Board and the Mayor; authorizing the delivery of an alternate credit facility in the principal amount of $163,500,000; and approving and authorizing execution of a second supplement to trust agreement, a second amendment to site lease, a second amendment to sublease, a revolving credit agreement, a fee agreement, an offering memorandum, dealer agreements and certain other related financing documents, and authorizing other related actions.

We respectfully request consideration of the Resolution at the February 15, 2023 meeting of the Budget and Finance Committee.

Background

The City launched its Commercial Paper Program to pay for project costs in connection with the acquisition, improvement, renovation, and construction of real property and the acquisition of capital equipment and vehicles. Pursuant to Resolution No. 85-09, approved in March 2009 ("2009 Program Resolution"), the Board established a $150,000,000 commercial paper program ("CP Series 1&2" or "CP Series 2") and pursuant to Resolution No. 247-13 approved in July 2013, the authorization for the CP Program was increased by $100,000,000 ("CP Series 3&4" or "CP Series 3") to $250,000,000 (together, the

"CP Program"). Pursuant to Resolution No. 184-16 approved in May 2016, the Board re-authorized CP Series 1&2 at $150,000,000.

Commercial Paper is a form of short-term (or interim) financing for capital projects and equipment that permits the City to pay project costs as project expenditures are incurred. Commercial Paper has a fixed maturity date, ranging from one to 270 days, compared with a final maturity of 20- to 30-years for the City's typical long-term obligations. On the maturity date of a commercial paper note ("CP note"), the note may be "rolled" (or refinanced) with the re-issuance of commercial paper notes for additional periods of up to 270 days until the commercial paper is either refunded with the issuance of long-term obligations or paid down directly with other sources of funds.

Seismic and Other Public Safety Emergency:

Per Resolution No. 136-10, adopted by the Board in June 2010, in the event of an emergency declared under Charter Section 3.100, the Controller is authorized to draw on commercial paper prior to Board approval of long-term take-out financing. This exception applies only to emergencies declared under Charter Section 3.100 Powers and Responsibilities, which provides that the Mayor, with the concurrence of the Board, may direct City personnel and resources as necessary to meet an emergency.

Financing Structure

Credit Facilities

The credit facilities currently supporting the City's $250,000,000 CP Program include three revolving credit agreements ("RCAs"). The Series 1 & 2 credit facilities were extended in May 2021 by two years to May 2023. The Series 3 credit facility with State Street Bank expired in February 2022. The City procured a new RCA for Series 3 from Bank of the West. The Bank of the West RCA will expire in April of 2026.

The City, through the Controller's Office of Public Finance ("OPF"), conducted a procurement process to select a new credit facility provider for CP Series 1 & 2 via a competitive Request For Proposals solicitation. The City received six (6) proposals and Wells Fargo was selected by the evaluation panel. The Resolution approves a new revolving credit agreement with Wells Fargo ("Wells Fargo RCA") in support of a combined CP Series 1&2 ("CP Series 2") in an amount of $150,000,000 with a three (3) year term anticipated to begin in March 2023 and expire in March 2026. Table 1 below provides an overview of the CP Program's expiring and proposed credit facilities.

Table 1: Summary of Credit Facilities for the CP Program

CP Series 1 & 2 Facilities (expiring)	
US Bank RCA	$75,000,000
State Street Bank RCA	75,000,000
	$150,000,000
Replacement CP Series 2 Facility (proposed)	
Wells Fargo RCA	$150,000,000
CP Series 3 Facility (existing)	
Bank of the West RCA	$100,000,000
Total CP Program	**$250,000,000**

Fee Agreement

The Resolution also approves a fee agreement with Wells Fargo, who proposed an annual commitment fee of 25 basis points (0.25%). This equates to $408,750 annually based on a not-to-exceed revolving line of credit to be provided by Wells Fargo of $163,500,000 (the principal amount of CP Series 1 & 2 plus interest at the maximum rate of 12% for 270 days) in connection with the Wells Fargo RCA. The City's existing State Street RCA supporting CP Series 1 has an annual commitment fee of 40 basis points (0.40%) or $327,000 annually. The City's existing US Bank RCA supporting CP Series 2 has an annual commitment fee of 38 basis points (0.38%) or $310,650 annually. Together, the existing State Street RCA and US Bank RCA equate to annual commitment fees of $637,650 on the CP Series 1 & 2 program. The new Wells Fargo RCA results in annual savings of $228,900 to CP Series 1 & 2 and the City's CP Program, not including one-time transaction costs associated with the replacement of the expiring credit agreements.

As shown in Table 2 below, the proposed commitment fee structure presumes that the City's general obligation bond credit ratings remains at their current rating levels of Aaa/AAA/AA+ by Moody's Investors Service ("Moody's), Standard & Poor's ("S&P"), and Fitch Ratings, respectively (collectively, the "Rating Agencies"). The commitment fee may be increased if any of one of the City's general obligation bond ratings fall below "Level 1" as noted in Table 2 below.

Table 2: CP Series 2 Wells Fargo RCA Commitment Fee Structure

Level	Fitch Rating	S&P Rating	Moody's Rating	Commitment Fee Rate
Level 1	AA+ or above	AA+ or above	Aa1 or above	0.250%
Level 2	AA	AA	Aa2	0.275%
Level 3	AA-	AA-	Aa3	0.300%
Level 4	A+	A+	A1	0.350%
Level 5	A	A	A2	0.400%
Level 6	A-	A-	A3	0.450%
Level 7	BBB+	BBB+	Baa1	0.600%
Level 8	BBB	BBB	Baa2	0.850%
Level 9	BBB- or below	BBB- or below	Baa3 or below	1.200%

Revolving Credit Agreement Terms

Should the City's general fund secured obligations credit rating fall below Baa3/BBB-/BBB-, the Wells Fargo RCA would terminate and amounts owed to Wells Fargo would be immediately due and payable, subject to the limits concerning maximum rent set forth in the Sublease in accordance with State law, which would allow for several years to repay the financing. The Wells Fargo RCA may be terminated by the City for any reason, at any time, pursuant to the provisions outlined in the Revolving Credit Agreement and the Fee Agreement.

The City is required to repay Wells Fargo should there be amounts drawn under the credit facility in accordance with the terms and conditions set forth in the Wells Fargo RCA. It is expected Wells Fargo will be repaid from the remarketing of commercial paper or the proceeds of long term take-out financing. However, under extraordinary circumstances, such as those during the financial dislocation in 2008, advances from Wells Fargo might not be immediately repaid. In such event, interest borne by the commercial paper notes could increase up to 12% per annum.

Leased Assets

As a requirement of the CP Program's credit facilities, the City leases certain City-owned real properties (the "Leased Assets") to a third-party trustee as a form of security on any issued commercial paper. The trustee leases the Leased Assets back to the City for lease payments in amounts necessary to pay any principal and interest due on any outstanding CP notes. Table 3 below identifies the Leased Assets that currently secure the CP Program. Based on the updated Real Estate Division valuation of the leased asset pool currently pledged to CP Series 1 & 2 reflected in the table below, the City intends to release the Police Academy property from the lease, reducing the total pledged value to $187,000,000, an amount sufficient to support the CP Series 1 & 2 Program.

Table 3: Summary Estimated Values of Properties Owned by the City Securing the CP Program

Table of Leased Assets, Series 1 & 2 [1]	
Corporate Yard	$72,000,000
Fire College	46,000,000
Fire Station 1	7,200,000
DPH Public Health Clinic	18,800,000
Police Academy	35,250,000
Human Services Central Offices	43,000,000
Total	**$225,250,000**

Table of Leased Assets, Series 3 [2]	
Public Safety Building	$301,000,000
Total	**$301,000,000**

Sources:
(1) City and County of San Francisco, Real Estate Division, Memorandum(s) dated January 12, 2023.
(2) City and County of San Francisco, Real Estate Division, Memorandum(s) dated April 5, 2022.

Additional Information

The forms of the related financing documents—including the Second Supplement to the Trust Agreement, Second Amendment to Site Lease and the Second Amendment to Sublease, Second Amended and Restated Delivery and Paying Agent Agreement, First Amendment to Commercial Paper Dealer Agreement, Offering Memorandum and related documents—will also be submitted, as described below.

Second Supplement to the Trust Agreement: Pursuant to the Original Trust Agreement between the City and the Trustee, the Trustee administers and disburses payments with respect to the CP notes and enforces the covenants and remedies in the event of a default by the City. The Trustee holds proceeds derived from the sale of CP notes and disburses payments for the costs incurred for the projects, as directed by authorized City representatives. The Original Trust Agreement will be amended by the Second Supplement to Trust Agreement to, among other things, provide Trustee acknowledgement of the Wells Fargo RCA, update certain definitions and addresses for notices.

Second Amendment to Site Lease and the Second Amendment to Sublease: Pursuant to the Original Site Lease, the City leases a City-owned property (or properties) to the Trustee. Pursuant to the Original Sublease, the City leases back the leased property, together with the improvements thereon, from the Trustee. The City is then required to make annual base rental payments to the Trustee equal to the amounts as required to repay the CP Notes but not in excess of the fair rental value for the leased property. The City's General Fund secures the payment of the City's rental payments in respect of the CP

Notes. The Original Site Lease and the Original Sublease will be amended by the Second Amendment to Site Lease and the Second Amendment to Sublease to, among other things, reflect the Wells Fargo RCA and to release the Police Academy property from the leasehold.

Second Amended and Restated Delivery and Paying Agent Agreement: This Agreement sets forth the duties of the Paying Agent, including acting as (i) depository for the safekeeping of the Commercial Paper Certificates, (ii) delivery agent on behalf of the City in connection with the delivery of the Commercial Paper Certificates, and (iii) as paying agent to undertake certain obligations on behalf of the holders of the Commercial Paper Certificates in connection with the Wells Fargo RCA.

First Amendment to Commercial Paper Dealer Agreement(s): The Original Dealer Agreement sets forth the duties of the CP Dealer, including soliciting and arranging the sales of the commercial paper notes on behalf of the City at such rates and maturities as then prevailing in the market. The term of the Original Dealer Agreement continues until the cessation of the CP Program, and will be amended by the First Amendment to Commercial Paper Dealer Agreement to, among other things, name Wells Fargo Bank as the replacement CP Series 2 facility provider and add a termination date of May 31, 2026 to coincide with the expiration of the Wells Fargo RCA.

Offering Memorandum: In connection with the sale of CP notes, an offering memorandum is prepared which describes the Trust Agreement, the lease documents and the Wells Fargo RCA.

Anticipated Timeline

The Resolution is expected to be introduced at the January 31, 2023 Board of Supervisors Meeting and is requested to be heard at the Budget and Finance ("B&F") Committee on February 15, 2023.

Milestones	Dates*
• Introduction of Resolution	January 31, 2023
• B&F Committee Meeting	February 15, 2023
• Board Considers Approval of the Resolution	February 28, 2023
• Execution of Agreements and Reinstatement of CP Series 2 Facility	March 2023

*Please note that dates are estimated unless otherwise noted.

Please contact Anna Van Degna (Anna.VanDegna@sfgov.org) at 415-554-5956, Vishal Trivedi (vishal.trivedi@sfgov.org) or Keith Sevigny (Keith.Sevigny@sfgov.org) at 415-554-7693 if you have any questions. Your consideration of this matter is greatly appreciated.

cc: Angela Calvillo, Clerk of the Board of Supervisors
Tom Paulino, Mayor's Office, Liaison to the Board of Supervisors
Anna Duning, Mayor's Budget Director
Harvey Rose, Budget Analyst
Severin Campbell, Budget Analyst
Ben Rosenfield, Controller
Mark Blake, Deputy City Attorney
Kenneth Roux, Deputy City Attorney

From:	Conine-Nakano, Susanna (MYR)
To:	BOS Legislation, (BOS); BLAKE, MARK (CAT)
Cc:	Paulino, Tom (MYR); Sevigny, Keith (CON); Van Degna, Anna (CON); Katz, Bridget (CON); Trivedi, Vishal (CON)
Subject:	Mayor -- Resolution -- Commercial Paper Series 1 and 2
Date:	Tuesday, January 31, 2023 4:36:22 PM
Attachments:	Mayor -- Resolution -- Commercial Paper Series 1 and 2.zip

Hello Clerks,

Attached for introduction to the Board of Supervisors is a Resolution re-authorizing the issuance of Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 1 and Series 2, and Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 1-T and Series 2-T, in an aggregate principal amount not to exceed $150,000,000 to finance the acquisition, construction, and rehabilitation of capital improvements and capital equipment approved by the Board of Supervisors and the Mayor; authorizing the delivery of an alternate credit facility in the principal amount of $163,500,000; and approving and authorizing the execution of a second supplement to trust agreement, a second amendment to site lease, a second amendment to sublease, a revolving credit agreement, a fee agreement, an offering memorandum, and certain other related financing documents, and authorizing other related actions.

@BLAKE, MARK (CAT), can you please reply-all to confirm your approval? Thank you!

Best,
Susanna

Susanna Conine-Nakano
Office of Mayor London N. Breed
City & County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 200
San Francisco, CA 94102
415-554-6147