

**RESOLUTION NO. .**

**BOARD OF SUPERVISORS, SAN MATEO COUNTY, STATE OF CALIFORNIA**

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**RESOLUTION PROVIDING FOR THE ISSUANCE OF SAN MATEO UNION HIGH SCHOOL DISTRICT, SAN MATEO COUNTY, STATE OF CALIFORNIA, 2023-24 TAX AND REVENUE ANTICIPATION NOTES IN AN AMOUNT NOT TO EXCEED \$25,000,000**

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**RESOLVED**, by the Board of Supervisors of San Mateo County, State of California, that

**WHEREAS**, pursuant to Section 53850 *et seq.* of the Government Code of the State of California (the "Act") contained in Article 7.6 thereof, entitled "Temporary Borrowing," on or after the first day of any fiscal year (being July 1), a school district may borrow money by issuing notes for any purpose for which the school district is authorized to use and expend moneys, including but not limited to, current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness of the school district; and

**WHEREAS**, Section 53853 of the Act requires that, for a school district which has not been accorded fiscal accountability status pursuant to Education Code Sections 1080, 42647 or 42650, such notes must be issued in the name of the school district by the board of supervisors of the county, the county superintendent of which has jurisdiction over the school district, as soon as possible following the receipt of a resolution of the governing board of such school district requesting the borrowing; and

**WHEREAS**, the San Mateo County Superintendent of Schools (the "County Superintendent") has jurisdiction over the San Mateo Union High School District (the

“District”), and the Board of Supervisors of San Mateo County (the “County Board”) has received a resolution of the Board of Trustees of the District (the “District Board”), being the governing board of the District, dated May 18, 2023, entitled “RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN MATEO UNION HIGH SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF 2023-24 TAX AND REVENUE ANTICIPATION NOTES AND REQUESTING THE BOARD OF SUPERVISORS OF SAN MATEO COUNTY TO ISSUE SAID NOTES” (the “District Resolution”) which District Resolution requests the borrowing of not exceeding Twenty Five Million Dollars (\$25,000,000) at an interest rate not to exceed the maximum rate allowed by law, through the issuance by the County Board of 2023-24 Tax and Revenue Anticipation Notes (the “Notes”) in the name of the District; and

**WHEREAS**, the District has not been accorded fiscal accountability status pursuant to Education Code Sections 1080, 42647 or 42650; and

**WHEREAS**, such Notes may be payable on such date that is not later than thirteen months after the date of delivery thereof; and

**WHEREAS**, pursuant to Section 53856 of the Act, the District may pledge to the payment of the Notes any taxes, income, revenue (including, but not limited to, revenue from State and Federal governments), cash receipts or other moneys of the District (including moneys deposited in inactive or term deposits but excepting therefrom moneys encumbered for a special purpose); and the District Resolution specifies that certain of such revenues that will be received by the District for the general fund thereof shall be pledged for the payment of the Notes; and

**WHEREAS**, the Notes shall be a general obligation of the District, and to the extent not paid from the Unrestricted Revenues (defined herein) pledged for the payment thereof shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as required by Section 53857 of the Act, and shall not in any way be payable from County money; and

**WHEREAS**, the Notes shall be in denominations of \$5,000 principal amount or integral multiples thereof, as permitted by Section 53854 of the Act; shall be issued on a date provided in the Official Statement (defined herein) therefor; and shall be in the form and executed in the manner prescribed in the District Resolution and herein, as required by Section 53853 of the Act; and

**WHEREAS**, the District has found and determined that said \$25,000,000 maximum principal amount of Notes to be issued by the County Board, when added to the interest payable thereon, does not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including but not limited to revenue from state and federal governments), cash receipts and other moneys of the District which the District has represented will be available for the payment of the Notes and interest thereon, as required by Section 53858 of the Act, and the County is relying on such representation; and

**WHEREAS**, the District has determined that the Notes issued as federally tax-exempt notes will not be issued in an amount greater than the maximum anticipated cumulative cash flow deficit to be financed thereby or by such other revenue sources for the period for which such taxes or other revenues are anticipated and during which such

Notes are outstanding, all as provided in the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, the District has determined and authorized the issuance of the Notes on a competitive basis pursuant to the Notice Inviting Proposals (as defined herein); and

**WHEREAS**, the District has represented that it has not received a qualified or negative budget certification in the current fiscal year;

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED AS FOLLOWS:**

**Section 1. Authorization of Issuance of Notes: Terms Thereof; Paying Agent.** As required by law, the County Board hereby approves the request of the District and authorizes the issuance, in the name of the District, of an amount not-to-exceed \$25,000,000 principal amount of Notes under the Act, designated as "San Mateo Union High School District, San Mateo County, State of California, 2023-24 Tax and Revenue Anticipation Notes." The Notes are authorized to be issued in one or more series of federally tax-exempt or taxable Notes, with appropriate series designation, numbered from 1 consecutively upward in order of issuance, and in the denominations of \$5,000 principal amount or integral multiples thereof. The Notes shall be dated the date of delivery thereof; shall mature (with or without option of prior redemption, as set forth in the Official Statement) on a day (or days, if more than one series of Notes is issued) in which banks in New York or California are open for business and no later than thirteen months after the date of delivery thereof; and shall bear interest, payable on or before maturity and computed on a 30-day month/360-day year basis, at the per annum rate or rates set forth in the Official Statement, but not in excess of the maximum rate allowed by law.

The principal amount of the Notes issued pursuant hereto, when added to the interest payable thereon, shall not exceed eighty five percent (85%) of the estimated amount of uncollected taxes, revenue and other moneys of the District which has represented will be available for the payment of the Notes and interest thereon, and the County is relying on such representation.

Both the principal of and interest on the Notes shall be payable, only upon surrender thereof, in lawful money of the United States of America at the principal office of The Bank of New York Mellon Trust Company, N.A., which has been designated to be the paying agent for the Notes pursuant to the District Resolution (in such capacity, the "Paying Agent"), and which designation the County hereby confirms.

**Section 2. Form of Notes.** The Notes shall be issued in registered form, without coupons, and shall be substantially in the form and substance set forth in Exhibit A attached hereto and by reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures. The Notes may be initially registered in the name of “Cede & Co.” as nominee of DTC, New York, New York (“DTC”), and shall be evidenced by one note in the full principal amount of the Notes. DTC is hereby appointed depository for the Notes (the “Depository”). Registered ownership may not thereafter be transferred except as set forth in Section 4 hereof. There shall be simultaneously delivered with each Note, the legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation (“Bond Counsel”), respecting the validity of said Notes.

**Section 3. Transfer and Exchange of Notes.** Subject to the provisions of Section 4 hereof, the registration of any Note may, in accordance with its terms, be transferred, upon the registration books kept by the Paying Agent for such purpose, by the person in whose name it is registered, in person or by a duly authorized attorney, upon surrender of such Note for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Paying Agent.

Whenever any Note or Notes shall be surrendered for registration or transfer, the Paying Agent shall execute and deliver a new Note or Notes, for a like aggregate principal amount. The Paying Agent shall require the registered owner (the “Owner”) of the Notes requesting such registration of transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The District may require the Owner requesting such registration of transfer to pay such additional reasonable charge as may be necessary to cover customary expenses incurred and fees charged by the Paying Agent with respect to such registration of transfer.

Subject to the provisions of Section 4 hereof, Notes may be exchanged at the principal office of the Paying Agent for a like aggregate principal amount of Notes in other authorized denominations. The Paying Agent shall require the payment by the Note Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. The District may require the Owner requesting such exchange to pay such additional reasonable charge as may be necessary to cover customary expenses incurred and fees charged by the Paying Agent or the District with respect to such exchange.

**Section 4. Use of Depository.**

(a) The Notes will be initially registered as provided in Section 2 hereof. Registered ownership of the Notes, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of DTC, or its nominee, or to any substitute Depository designated pursuant to clause (ii) of this Section 4 (a “Substitute Depository”); provided, that any successor of Cede & Co., as nominee of

DTC or a Substitute Depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

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

(iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or Substitute Depository or its successor) from its functions as Depository, or (2) a determination by the Paying Agent to remove DTC or its successor (or any Substitute Depository or its successor) from its functions as Depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section 4, upon receipt of the outstanding Notes by the Paying Agent, together with a request of the District to the Paying Agent, a new Note shall be executed and delivered in the aggregate principal amount of the Notes registered in the name of such successor or such Substitute Depository, or their nominees, as the case may be, all as specified in such request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section 4, upon receipt of the outstanding Notes by the Paying Agent together with a request of the District to the Paying Agent, new Notes shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such a request of the District; provided, the Paying Agent shall not be required to deliver such new Notes within a period less than sixty (60) days from the date of receipt of such a request of the County. Thereafter, Notes shall be transferred pursuant to Section 3 hereof.

(c) The Paying Agent shall be entitled to treat the person in whose name any Note is registered as the Owner thereof for all purposes of this resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent, the District or the County; and the Paying Agent shall have no responsibility for transmitting payments to, communication with, notifying, or otherwise dealing with any beneficial owners of the Notes and neither the County, the District nor the Paying Agent will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except for the registered Owner of any Notes.

(d) So long as the outstanding Notes are registered in the name of Cede & Co. or its registered assigns, the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Notes by arranging for payment in such manner that funds for such

payments are properly identified and are made immediately available on the date they are due.

**Section 5. Deposit and Investment of Note Proceeds; No Arbitrage.** The moneys so borrowed shall be deposited with the Treasurer-Tax Collector of the County (the "Treasurer") and shall, prior to disbursement for any legal purpose, be pledged to the payment of the Notes to the extent sufficient Pledged Revenues (as defined below) and other legally available revenues are not deposited into the Repayment Fund (as defined below), as provided in the District Resolution. The County agrees to accept the moneys for deposit and investment in the County pool, however the County expressly declines to take any responsibility for the tax status of the Notes.

**Section 6. Payment of Notes.**

(a) **Source of Payment.** The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue (including but not limited to revenue from state and federal governments), cash receipts and other moneys (including moneys deposited in inactive or term deposits but excepting therefrom certain moneys encumbered for a special purpose), as provided in Section 53856 of the Act, and which are generally available for the payment of current expenses and other obligations of the District (collectively, the "Unrestricted Revenues"). To the extent the Notes mature during the fiscal year succeeding fiscal year 2023-24, the Notes shall be payable only from Unrestricted Revenues which are received in or accrued to fiscal year 2023-24.

The Notes shall be a general obligation of the District, and to the extent the Notes are not paid from the Unrestricted Revenues pledged to the repayment thereof described herein, shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as provided herein and by law.

Notwithstanding anything to the contrary contained herein, in the District Resolution or in any other document mentioned herein or related to the Notes, the County shall not have any monetary or other liability hereunder or by reason hereof or in connection with the transactions contemplated hereby and the Notes shall be payable solely from the moneys of the District available therefor as set forth in this Section and in Section 4 of the District Resolution. Further, the County shall have no responsibility for or liability as a result of the use of the proceeds of the sale of the Notes.

(b) **Pledged Revenues.** As security for the payment of the principal of and interest on the Notes, pursuant to the District Resolution, the District shall pledge such Unrestricted Revenues as may be identified in the Official Statement and the Notice Inviting Proposals (as defined herein) (such pledged amounts being hereinafter called the "Pledged Revenues"). The Pledged Revenues shall be deposited by the District into the Repayment Fund on the date or dates specified in the Official Statement.

The principal of the Notes and the interest thereon shall be a first lien and charge against and shall be payable from the first moneys received by the District from such Pledged Revenues as provided by law.

In the event that there are insufficient Unrestricted Revenues received by the District to permit the deposit into the Repayment Fund of the full amount of Pledged Revenues to be deposited from such Unrestricted Revenues, then the amount of any such deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the repayment of the Notes and the interest thereon.

(c) Covenant Regarding Additional Short term Borrowing. The District has covenanted and warranted that, during the term that provision for the payment of principal and interest of the Notes has not been made, the District will not request the Treasurer to make temporary transfers of funds in the custody of the Treasurer to meet any obligations of the District year pursuant to the authority of Article XVI, Section 6 of the Constitution of the State of California. Such covenant shall not prevent the District from making inter-fund transfers of its own moneys for any legal purpose.

(d) Deposit of Pledged Revenues in Repayment Fund. In accordance with the District Resolution, the Pledged Revenues shall be held in a special fund hereby authorized to be created for the District and held by the Treasurer, designated as the "San Mateo Union High School District, 2023-24 Tax and Revenue Anticipation Notes Repayment Fund" (herein called the "Repayment Fund"), and such Pledged Revenues shall be applied as directed in this Resolution and the District Resolution. Any moneys placed in the Repayment Fund shall be for the benefit of the Owners of the Notes, and until the Notes and all interest thereon are paid or until provision has been made for the payment of the Notes at maturity with interest to maturity, the moneys in the Repayment Fund shall be applied only for the purposes for which the Repayment Fund is created.

(e) Disbursement and Investment of Moneys in Repayment Fund. From the date this Resolution takes effect, the District shall cause all Pledged Revenues, when received, be deposited and accounted for in the Repayment Fund. After such date as the amount of Pledged Revenues deposited in the Repayment Fund shall be sufficient to pay in full the principal of and interest on the Notes, when due, any moneys in excess of such amount remaining in or accruing to the Repayment Fund shall be transferred to the general fund of the District upon the request of the District. On the maturity date of the Notes, the moneys in the Repayment Fund shall be used to pay the principal of and interest on the Notes and any excess remaining in the Repayment Fund after payment of Notes shall be transferred to the District.

Moneys in the Repayment Fund, and proceeds of the Notes shall be invested by the Treasurer in any one or more investments generally permitted for investment by school districts under the laws of the State of California, consistent with the investment policy of the County. To the extent that moneys invested or held by the County are subject to arbitrage rebate, neither the County nor any officer or employee of the County shall assume hereunder or under the provisions of any rebate certificate any duty or obligation

to make the actual calculations of arbitrage rebate liability of the District, or to pay any such rebate or any penalties in regard thereto if the District miscalculates or fails to pay or cause such rebate or such penalties to be paid.

(f) **Defeasance.** All or any portion of the Notes may be defeased prior to maturity by irrevocably depositing in trust an amount of cash, Government Obligations, or any combination thereof, which, in the opinion of an independent certified public accountant, is fully sufficient to pay and discharge all the Notes, and interest thereon, at or before their maturity date. For purposes of this section, "Government Obligations" means non-callable (i) United States Treasury obligations, (ii) obligations fully and unconditionally guaranteed as to payment of principal and interest by the United States of America, or (iii) obligations fully and unconditionally guaranteed as to payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America. Upon the deposit of such cash and Government Obligation as described in this section, and notwithstanding that any of the Notes shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding Notes shall cease and terminate, except only the obligation of the such escrow agent as shall be selected by the District to pay or cause to be paid from funds deposited pursuant this section, to the Owners of such designated Notes not so surrendered and paid all sums due with respect thereto.

**Section 7. Execution of Notes.** The Chair of the County Board and the Treasurer are hereby authorized to sign the Notes manually or by facsimile signature, and the Clerk of the County Board (the "Clerk") is hereby authorized to countersign the Notes manually or by facsimile signature; and said officers are hereby authorized to cause the blank spaces thereof to be filled in as may be appropriate. The County also authorizes the Paying Agent to authenticate the Notes. No Note shall be valid or obligatory for any purpose or shall be entitled to any security or benefit hereunder or under the District Resolution unless and until the certificate of authentication printed on the Note is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Note so authenticated has been duly issued, signed and delivered under this Resolution and the District Resolution and is entitled to the security and benefit of this Resolution and the District Resolution.

**Section 8. Competitive Sale of the Notes.** The Board hereby approves the competitive sale of the Notes. Pursuant to the District Resolution, the District has determined that a competitive sale contributes to the District's goal of achieving the lowest overall cost of funds. The competitive sale of the Notes shall be undertaken pursuant to the Notice Inviting Proposals for Purchase of Notes (the "Notice Inviting Proposals") and the Notice of Intention To Sell (the "Notice of Intention to Sell"), set forth in Exhibits B and C hereto, respectively. The awarding of the Notes to the successful bidder and notice thereto shall be made by the County, on behalf of the District, pursuant to the Memorandum Awarding Notes, substantially in the form attached as Exhibit D hereto.

The terms and conditions of the offering and the sale of the Notes shall be as specified in the Notice Inviting Proposals. The Notes shall be awarded by acceptance of the bid with the lowest true interest cost with respect to the Notes, so long as the principal amount of the Notes does not exceed \$25,000,000 and the true interest cost does not exceed 6.00%. The awarding of the Notes to the successful bidder and notice thereto shall be made by District, pursuant to the Memorandum Awarding Notes, substantially in the form attached as Exhibit D hereto.

**Section 9. Reserved.**

**Section 10. Delivery of Notes.** The proper officers of the County Board are hereby authorized and directed to deliver the Notes to the original purchaser thereof. All actions heretofore taken by the officers and agents of the County Board with respect to the sale and issuance of the Notes are hereby approved, confirmed and ratified, and the officers of the County Board are hereby authorized and directed, for and in the name and on behalf of the County Board, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with this Resolution and the District Resolution.

**Section 11. Further Actions Authorized.** It is hereby covenanted that the County, and its appropriate officials, have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, and for carrying out the provisions of the District Resolution and of this Resolution.

**Section 12. Proceeds of Notes Conditionally Pledged; Investment of Note Proceeds.** Notwithstanding anything to the contrary contained herein, the proceeds of the Notes shall, prior to their expenditure by the District, be pledged to the payment of the Notes in the event and to the extent sufficient Pledged Revenues of the District and other legally available revenues are not deposited into the Repayment Fund. Proceeds of the Notes shall be invested by the Treasurer in any one or more investments generally permitted for investment by school districts under the laws of the State of California, consistent with the investment policy of the County.

**Section 13. Temporary Notes.** The Notes may be initially issued in temporary form exchangeable for definitive Notes when ready for delivery. The temporary Notes may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Treasurer, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Note shall be executed by the Treasurer upon the same conditions and in substantially the same manner as the definitive Notes. If the Paying Agent issues temporary Notes, the Paying Agent shall execute and furnish definitive Notes without delay, and thereupon the temporary Notes shall be surrendered for cancellation, in exchange therefor at the principal office of the Paying Agent, and the Paying Agent shall deliver in exchange for such temporary Notes an equal aggregate principal amount of definitive Notes of authorized denominations. Until so

exchanged, the temporary Notes shall be entitled to the same benefits pursuant to this Resolution as definitive Notes executed and delivered hereunder. Any costs borne by the County for the exchange of the Notes will be reimbursed by the District.

**Section 14. Mutilated, Lost or Destroyed Notes.** If any Note shall become mutilated, the Paying Agent, at the expense of the registered Owner of said Note, shall execute and deliver a new Note of like maturity and principal amount in exchange and substitution for the Note so mutilated, but only upon surrender to the Paying Agent of the Note so mutilated. Every mutilated Note so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory thereto and indemnity satisfactory to it shall be given, the Paying Agent, at the expense of the registered Owner, shall execute and deliver a new Note of like maturity and principal amount in lieu of and in substitution for the Note so lost, destroyed or stolen. The Paying Agent may require payment of a sum not exceeding the actual cost of preparing each new Note issued under this Section 14 and of the expenses which may be incurred thereby. Any Note issued under the provisions of this Section 14 in lieu of any Note alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Note so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution and the District Resolution with all other Notes issued pursuant to this Resolution. This Section 14 will not apply so long as DTC book-entry as identified herein is utilized.

**Section 15. Indemnification.** The County acknowledges and relies upon the fact that the District has agreed in the District Resolution to indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees (“Indemnified Parties”), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of the sale, issuance and delivery of the Notes in accordance herewith and with the District Resolution, and that the District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

**Section 16. Other Actions.**

(a) Officers of the Board and County officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Notes and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) Notwithstanding any other provision hereof, the provisions of this resolution as they relate to the terms of the Notes may be amended by Notice Inviting Proposals and the Official Statement.

(c) The County hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein or otherwise necessary in connection with the issuance of the Notes with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Government Code Section 16.5.

**Section 17. Recitals.** All the recitals in this Resolution above are true and correct and this County Board so finds, determines and represents.

**Section 18. Effective Date.** This Resolution shall take effect immediately upon its passage.

REGULARLY PASSED AND ADOPTED this \_\_\_th day of \_\_\_\_\_, 2023, by

the following vote:

EXHIBIT A  
FORM OF NOTE

REGISTERED  
No. \_\_\_

REGISTERED  
\$

SAN MATEO UNION HIGH SCHOOL DISTRICT  
SAN MATEO COUNTY, CALIFORNIA  
2023-24 Tax AND REVENUE ANTICIPATION NOTE

Rate of Interest:                      Note Date:                      Maturity Date:                      CUSIP:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

FOR VALUE RECEIVED, the San Mateo Union High School District (the "District"), San Mateo County, State of California, acknowledges itself indebted to and promises to pay the Registered Owner identified above, or registered assigns, at the corporate trust office of the Paying Agent, the Principal Amount specified above in lawful money of the United States of America, on the Maturity Date specified above, together with interest thereon at the Rate of Interest per annum set forth above (computed on the basis of a 360-day year of twelve 30-day months), in like lawful money of the United States of America from the Note Date specified above until payment in full of said principal sum. Both the principal of and interest on this Note shall be payable only upon surrender of this Note as the same shall fall due; provided, however, no interest shall be payable for any period after maturity during which the Registered Owner fails to properly present this Note for payment.

It is hereby certified, recited and declared that this Note is one of an authorized issue of Notes in the aggregate principal amount of Twenty Five Million Dollars (\$25,000,000) all of like date, tenor and effect, made, executed and given pursuant to and by authority of a resolution of the Board of Supervisors of San Mateo County (the "County") duly passed and adopted on July 11, 2023 and a Resolution of the Board of Trustees of the District duly passed and adopted on May 18, 2023, under and by authority of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5, Government Code, and that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, happened and been performed in regular and due time, form and manner as required by law, and that this Note, together with all other indebtedness and obligations of the District, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue (including, but not limited to, revenue from state and federal governments), cash receipts and other moneys including moneys deposited

in inactive or term deposits (but excepting certain moneys encumbered for a special purpose), and which are generally available for the payment of current expenses and other obligations of the District (the "Unrestricted Revenues"). As security for the payment of the principal of and interest on the Notes the District has pledged an amount equal to (i) \_\_\_\_ percent (\_\_%) of the principal of and interest due on the Notes from the first Unrestricted Revenues received by the District in the month ending \_\_\_\_\_, 2024 and (ii) \_\_\_\_ percent (\_\_%) of the principal of and interest due on the Notes from the first Unrestricted Revenues received by the District in the month ending \_\_\_\_\_, 2024 (such pledged amounts being hereinafter called the "Pledged Revenues"). The principal of the Notes and the interest thereon shall constitute a first lien and charge on such Pledged Revenues, and shall be payable therefrom, and to the extent not so paid shall be paid from any other moneys of the District lawfully available therefor.

This Note is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the corporate trust office of the Paying Agent, in Dallas, Texas, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Note except that this Note shall not be transferred or exchanged later than the 15th day prior to the maturity date hereof. Upon such transfer a new Note or Notes of authorized denominations and for the same aggregate principal amount will be issued to the transferees in exchange herefor.

The County, the District and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the County, District nor the Paying Agent shall be affected by any notice to the contrary.

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



LEGAL OPINION

I HEREBY CERTIFY that the following is a true and correct copy of the legal opinion upon the Notes therein described that was provided by Stradling Yocca Carlson & Rauth, a Professional Corporation, and was dated as of the date of delivery of and payment for said Notes.

[Facsimile Signature]

\_\_\_\_\_  
Superintendent, San Mateo Union  
High School District

ASSIGNMENT

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

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

Signature Guaranteed by:

\_\_\_\_\_  
NOTE: Signature(s) must be  
guaranteed by  
an eligible guarantor institution.

\_\_\_\_\_  
NOTE: The signature to the assignment  
must  
correspond to the name as it appears  
upon the  
face of this Note in every particular,  
without  
any alteration or change whatsoever.

**EXHIBIT B**

**NOTICE INVITING PROPOSALS FOR PURCHASE OF NOTES**

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

**SAN MATEO UNION HIGH SCHOOL DISTRICT  
(SAN MATEO COUNTY, CALIFORNIA)  
2023-24 TAX AND REVENUE ANTICIPATION NOTES**

**NOTICE IS HEREBY GIVEN** that sealed unconditioned proposals will be received to and including the hour of \_\_\_\_ a.m., Pacific Daylight Time, on \_\_\_\_\_, 2023, at the offices of Keygent, LLC, 1730 E. Holly Avenue, Suite 762, El Segundo, California 90245 (the “Municipal Advisor”), in the manner described below, for the purchase of all, but not less than all, of \$ \_\_\_\_\_\* principal amount of San Mateo Union High School District (San Mateo County, California) 2023-24 Tax and Revenue Anticipation Notes (the “Notes”). Proposals must be submitted electronically via i-Deal LLC’s (“i-Deal”) Parity Electronic Bid Submission System (“PARITY”), a division of Thomson Information Services, Inc., in the manner described below, for the purchase of all, but not less than all, of \$ \_\_\_\_\_\* principal amount of the Notes. In the event that the sale has not been awarded by the designated time, bids will be received at a subsequent time and date to be determined by the County of San Mateo, California and the San Mateo Union High School District (the “District”) and publicized via the Bond Buyer, the Bond Buyer Wire or Thomson Municipal Market Monitor (www.tm3.com).

**I. Issue:**

The Notes will be dated the date of delivery thereof, and will bear interest from such date at the rate such that the true interest cost (the “TIC”) shall not exceed \_\_\_\_%. The Notes will mature on \_\_\_\_\_, 2024.

**II. Interest Rates:**

All bids for the purchase of the Notes must state the rate of interest to be paid on the Notes and the bid price for the Notes. All Notes will be in a single maturity, such that the Notes will not bear more than one rate of interest. The maximum interest rate bid for the Notes may not exceed \_\_\_\_\_ percent (\_\_%), and the TIC may not exceed \_\_\_\_\_ (\_\_%). Interest will be computed on the basis of a 360-day year consisting of twelve, 30-day months.

**III. Redemption:**

The Notes shall not be subject to redemption prior to their stated maturity date.

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\* Preliminary, subject to change.

#### **IV. Costs of Issuance:**

The winning bidder will not be required to pay any costs associated with the issuance of the Notes, except as described in Sections XIII, XIV and XXI. Such costs of issuance, excluding the winning bidder's compensation, will be paid by the District solely from the aggregate proceeds of the Notes. The winning bidder's compensation will be paid by the District from the premium generated from the sale of the Notes. The District further reserves the right to instruct the winning bidder to wire a portion of the purchase price to The Bank of New York Mellon Trust Company, N.A., in its capacity as costs of issuance custodian for the Notes.

[By the submission of its bid pursuant to the provisions hereof, each bidder will be deemed to have represented that its underwriting discount shall not exceed \_\_\_% of the principal amount of the Notes.]

#### **V. Premium/Discount Notes:**

Bidders may not bid a purchase price (calculated as principal plus premium minus the bidder's compensation) of more than \_\_\_% or less than \_\_\_% of the aggregate principal amount of the Notes.

#### **VI. Registration of Notes as to Principal and Interest and Place of Payment:**

The Notes, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Notes. Individual purchases will be made in book-entry form only, in the denominations of \$5,000 and integral multiples thereof. Purchasers will not receive physical certificates representing their interest in the Notes purchased. Principal and interest are payable in lawful money of the United States of America and will be paid to DTC which in turn will remit such amounts to the beneficial owners of the Notes through DTC's Participants, as described in the Preliminary Official Statement (as defined herein).

#### **VII. Authority:**

The Notes are issued under the authority of Article 7.6, Chapter 4, Part 1, Division 2, Title 5 (commencing with Section 53850 *et seq.*) of the Government Code (the "Act") and pursuant to resolutions adopted by the Board of Trustees of the District on May 18, 2023 (the "District Resolution") and by the Board of Supervisors of the County of San Mateo (the "County Board") on July 11, 2023 (the "County Resolution" and together with the District Resolution, the "Note Resolutions"). The Notes are being issued by the County Board, on behalf of the District, to provide funds to meet fiscal year 2023-24 general fund expenditures, including operating expenses, capital expenditures, and the discharge of other obligations or indebtedness of the District.

#### **VIII. Security:**

As provided in Section 53856 of the Act, the principal amount of the Notes, together with the interest thereon, is payable from taxes, income, revenue (including but not limited

to, revenue from state and federal governments), cash receipts and other moneys of the District (including moneys deposited in inactive or term deposits, but excepting moneys encumbered for a special purpose), and which are generally available for the payment of current expenses and other obligations of the District (collectively, “Unrestricted Revenues”). Pursuant to Section 53856 of the Notes Act and the District Resolution, the District shall pledge the to the repayment of the Notes (collectively, the “Pledged Revenues”): [(i) the first Unrestricted Revenues received by the District in the month ending \_\_\_\_\_, 2024 in an amount equal to \_\_\_% of the principal of the Notes, and (ii) the first Unrestricted Revenues received by the District in the month ending \_\_\_\_\_, 2024, in an amount equal to \_\_\_% of the principal of and 100% of the interest due on the Notes.] The principal of and interest on the Notes will constitute a first lien and charge against the Pledged Revenues. The Notes, in accordance with the Act, are general obligations of the District, and to the extent not paid from the Pledged Revenues, shall be paid, with interest thereon, from any other moneys of the District legally available therefor.

#### **IX. Form of Bid:**

All bids must be submitted electronically via PARITY, pursuant to the procedures described below, and all such bids shall be deemed to constitute a Bid for Purchase of the Notes and shall be deemed to incorporate by reference all of the terms and conditions of this Notice Inviting Proposals for Purchase of Notes (“Notice Inviting Proposals”). The submission of a bid electronically via PARITY shall constitute and be deemed the bidder’s signature on the Bid for Purchase of the Notes.

#### **X. Procedures Regarding Electronic Bidding:**

Bids must be submitted electronically via PARITY in accordance with this Notice Inviting Proposals, until \_\_\_\_\_ a.m., Pacific Daylight Time, on \_\_\_\_\_, 2023, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice Inviting Proposals, the terms of this Notice Inviting Proposals shall control. For further information about PARITY, potential bidders may contact the District’s Municipal Advisor, Chris Hiatt of Keygent, LLC at (310) 322-4222 or [chris.hiatt@keygentcorp.com](mailto:chris.hiatt@keygentcorp.com), or PARITY at i-Deal at (212) 849-5021. In the event that a bid for the Notes is submitted via PARITY, the bidder further agrees that:

1. Once the bids are communicated electronically via PARITY to the District as described herein, each bid will constitute a Bid for Purchase of the Notes and shall be deemed to be an irrevocable offer to purchase the Notes on the terms provided in this Notice Inviting Proposals. If a bid submitted electronically via PARITY is accepted by the District, the terms of the Bid for Purchase of the Notes and the Notice Inviting Proposals and the information that is electronically transmitted through PARITY (including information about the purchase price of the Notes, the coupon interest rate or rates to be borne by the various maturities of the Notes, the initial public offering price of each maturity and any other information included in such transmission) shall form a contract and the successful bidder shall be bound by the terms of such contract.

2. PARITY is not an agent of the District, and the District shall have no liability whatsoever based on any bidder's use of PARITY, including but not limited to any failure by PARITY to correctly or timely transmit information provided by the District or information provided by the bidder.

3. The District may choose to discontinue use of electronic bidding via PARITY by issuing a notification to such effect via PARITY's internet site ([www.tm3.com](http://www.tm3.com)) no later than 1:00 P.M. (Pacific Daylight Time) on the last business day prior to the date of sale. In such case, a substitute bidding arrangement will be described in an amended Notice Inviting Proposals.

4. For purposes of submitting all Bids for the purchase of the Notes, the time as maintained on PARITY shall constitute the official time. No bid received after the deadline shall be considered. In any case, each bid must be in accordance with the terms and conditions set forth in this official Notice Inviting Proposals.

5. Each bidder shall be solely responsible to make necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance with this Notice Inviting Proposals. Neither the District nor i-Deal shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the District nor i-Deal shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY. The District is using PARITY as a communication mechanism, and not as the District's agent, to conduct the electronic bidding for the Notes. By using PARITY, each bidder agrees to hold the District harmless for any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the Notes.

**XI. Estimate of True Interest Cost:**

Bidders are requested (but not required) to supply an estimate of the total true interest cost to the District on the basis of their respective bids, which shall be considered as informative only and not binding on either the bidder or the District.

**XII. Deposit:**

The successful bidder will be required to provide a good faith deposit (the "Deposit") in the form of a wire transfer made payable to

San Mateo Union High School District  
in the amount of  
\$ \_\_\_\_\_

prior to the official award. The wire transfer must be transmitted in immediately available funds and sent to the account of the District at the San Mateo County Treasurer-Tax Collector, as follows: Union Bank of California, ABA# \_\_\_\_\_, crediting account name "San Mateo County," account number \_\_\_\_\_, Ref: "San Mateo Union High School District 2023-24 Tax and Revenue Anticipation Notes." Questions regarding the wiring

instructions may be directed to Tiffany Htwe ([thtwe@smcgov.org](mailto:thtwe@smcgov.org)). The Municipal Advisor will request the apparent winning bidder to immediately wire the Deposit and provide the Federal wire reference number of such Deposit to the Municipal Advisor within 90 minutes of such request by the Municipal Advisor. The Notes will not be officially awarded to a bidder who has not submitted a Deposit in the form of a wire transfer, together with its Federal wire reference number, as provided above.

No interest on the Deposit will accrue to any bidder. The Deposit (without accruing interest) of the winning bidder will be applied to the purchase price of the Notes. In the event the winning bidder fails to honor its accepted bid, the Deposit plus any interest accrued on the Deposit will be retained by the District. Any investment income earned on the Deposit will be paid to the successful bidder in the event the District is unable to deliver the Notes. Deposits accompanying bids other than the bid which is accepted will be returned promptly upon the determination of the best bidder.

### **XIII. Qualification for Sale; Blue Sky:**

The purchaser will assume responsibility for taking any action necessary to qualify the Notes for offer and sale in jurisdictions other than California, and for complying with the laws of all jurisdictions on resale of the Notes, and shall indemnify, defend and hold harmless the District and their respective officers and officials from any loss or damage resulting from any failure to comply with any such law. Compliance with Blue Sky Laws shall be the sole responsibility of the purchaser, and the purchaser shall pay all fees and disbursements related to the qualification of the Notes for sale under the securities or Blue Sky laws of various jurisdictions. The District will furnish such information and take such action not inconsistent with law as the purchaser may request and the District shall deem necessary or appropriate to qualify the Notes for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the purchaser, provided, however, that the District shall not execute a general or special consent to service of process or qualify to do business in connection with such qualification or determination in any jurisdiction. The purchaser will not offer to sell, or solicit any offer to buy, the Notes in any jurisdiction where it is unlawful for such purchaser to make such offer, solicitation or sale, and the purchaser shall comply with the Blue Sky and other securities laws and regulations of the states and jurisdictions.

### **XIV. CUSIP Numbers and Other Fees:**

CUSIP numbers will be applied for and will be printed on the Notes and the cost of printing thereof and service bureau assignment will be the purchaser's responsibility. Any delay, error or omission with respect thereto will not constitute cause for the purchaser to refuse to accept delivery of and pay for the Notes. The successful bidder shall also be required to pay all fees required by The Depository Trust Company, Bond Market Association, Municipal Securities Rulemaking Board, and any other similar entity imposing a fee in connection with the issuance of the Notes (see also, "—California Debt and Investment Advisory Commission" below).

## **XV. Legal Opinion:**

The Notes are sold with the understanding that the purchaser will be furnished with the approving opinion of Bond Counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation. A copy of the opinion will be attached to the Notes. Said attorneys have been retained by the District as Bond Counsel and in such capacity are to render their opinion only upon the legality of the Notes under State of California law and on the exemption of the interest income on such Notes from federal and State of California income taxes. Fees of Bond Counsel will be paid by the District from the costs of issuance.

## **XVI. Tax-Exempt Status:**

In the opinion of Bond Counsel, based on existing statutes, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the Notes is exempt from State of California personal income tax.

Taxpayers considering an investment in the Notes that are classified as corporations for federal income tax purposes should consult their tax advisors regarding the application of the corporate alternative minimum tax to any investment in the Notes.

Should changes in the law cause Bond Counsel's opinion to change prior to delivery of the Notes to the purchaser, the purchaser will be relieved of its responsibility to pick up and pay for the Notes, and in that event its Deposit will be returned.

## **XVII. Establishment of Issue Price**

(a) The winning bidder shall assist the District in establishing the issue price of the Notes and shall execute and deliver to the District at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond Counsel, including, but not limited to, modifications in the event that the Competitive Sale Requirements (defined below) are not satisfied. All actions to be taken by the District under this Notice Inviting Proposals to establish the issue price of the Notes may be taken on behalf of the District by the Municipal Advisor and any notice or report to be provided to the District may be provided to the Municipal Advisor.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "Competitive Sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "Competitive Sale Requirements") because:

1. the District shall disseminate this Notice Inviting Proposals to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. all bidders shall have an equal opportunity to bid;
3. the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the District anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest TIC), as set forth in this Notice Inviting Proposals.

Any bid submitted pursuant to this Notice Inviting Proposals shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the District shall so advise the winning bidder. The District may determine to treat (i) the first price at which 10% of a maturity of the Notes (the "10% Test") is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Notes as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the District if any maturity of the Notes satisfies the 10% Test as of the date and time of the award of the Notes. The District shall promptly advise the winning bidder, at or before the time of award of the Notes, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Notes shall be subject to the 10% Test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Notes. Bidders should prepare their bids on the assumption that some or all of the maturities of the Notes will be subject to the hold-the-offering-price rule in order to establish the issue price of the Notes.

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

1. the close of the fifth (5<sup>th</sup>) business day after the sale date; or

2. the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the District when the underwriters have sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Notes, the winning bidder agrees to promptly report to the District the prices at which the unsold Notes of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing (as defined herein) of the Notes has occurred, until the 10% Test has been satisfied as to the Notes of that maturity or until all Notes of that maturity have been sold.

(f) The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% Test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public and (B) comply with the

hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(h) Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice Inviting Proposals. Further, for purposes of this Notice Inviting Proposals:

- (1) “public” means any person other than an underwriter or a related party,
- (2) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),
- (3) a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (4) “sale date” means the date that the Notes are awarded by the District to the winning bidder.

#### **XVIII. Award:**

If the Notes are awarded on the date of sale, the Notes will be awarded to the responsible bidder submitting the best responsive bid, considering the coupon interest rate or rates and the purchase price specified in the bid. The best bid will be the bid that conforms with the provisions of this Notice Inviting Proposals and represents the lowest TIC to the District for the Notes, taking into consideration the interest rate specified, and premium thereon, if any. The TIC is the discount rate that, when compounded semiannually and used to discount all debt service payments on the Notes back to the date of delivery of such Notes, results in an amount equal to the purchase price bid for said

Notes. In the event that two or more bidders offer bids for the Notes at the same lowest TIC, the District will determine by lottery which bidder will be awarded the Notes.

**XIX. Prompt Award:**

The County and the District will take action awarding the Notes or rejecting all bids not later than twenty six (26) hours after the expiration of the time herein prescribed for the receipt of bid proposals, unless such time of award is waived by the successful bidder.

**XX. Delivery:**

Delivery of the Notes will be made to the purchaser through DTC upon payment of the purchase price in federal funds payable to or for the account of the District at the San Mateo County Treasurer -Tax Collector, per the wire instructions provided by the District at or prior to the Closing of the issuance of the Notes. The Closing will take place at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation, 44 Montgomery Street, Suite 4200, San Francisco, California 94104, or at the purchaser's request and expense, at any other place mutually agreeable to both the District and the purchaser, on \_\_\_\_\_, 2023 (the "Closing").

**XXI. California Debt and Investment Advisory Commission:**

The successful bidder will be required, pursuant to State of California law, to pay any fees to the California Debt and Investment Advisory Commission ("CDIAC"). CDIAC will invoice the successful bidder after the closing of the Notes.

**XXII. No Litigation and Non-Arbitrage:**

The District will deliver a certificate stating that no litigation is pending affecting the issuance and sale of the Notes. The District will also deliver an arbitrage certificate covering its reasonable expectations concerning the Notes and the use of proceeds thereof.

**XXIII. Official Statement:**

The District will make available a Preliminary Official Statement relating to the Notes (the "Preliminary Official Statement"), a copy of which, along with any supplements thereto and related documents, will be furnished upon request made to Keygent, LLC, 1730 E. Holly Avenue, Suite 762, El Segundo, California 90245, Attn: Chris Hiatt, chris.hiatt@keygentcorp.com, the District's Municipal Advisor, or telephoned to said Municipal Advisor at (310) 322-4222. Such Preliminary Official Statement, together with any supplements thereto, shall be in a form "deemed final" by the District for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final version thereof (the "Official Statement").

Each bidder must read the entire Preliminary Official Statement prior to bidding on the Notes, to obtain information essential to the making of an informed decision to bid. This Notice Inviting Proposals contains certain information for general reference only, and is not a complete summary of the issue. The Internet posting of the Preliminary Official

Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the securities described in the Preliminary Official Statement, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Copies of the Official Statement will be made available to the purchaser without charge, up to an amount of 10 copies, within seven business days of the date of sale and additional copies will be made available upon request at the purchaser's expense.

The District will deliver, at the closing, a certificate executed by an authorized officer of the District, acting in their official capacity, to the effect that the Official Statement does not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

The District undertakes that for a certain period of up to twenty-five (25) days following the end of the "underwriting period" as defined in Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934 (the "Rule"), it will (i) apprise the winning bidder if any event shall occur, or information comes to the attention of the District that, in the reasonable judgment of the District, is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (ii) if requested by the winning bidder, prepare a supplement to the final Official Statement with respect to such event or information. The District will presume, unless notified in writing by the winning bidder, that the end of the underwriting period will occur on the date of the delivery of the Notes. By making a bid on the Notes, the winning bidder agrees (i) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any supplements prepared by the District, and to file a copy of the final Official Statement, including any supplements prepared by the District, with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system (as provided by the Rule) within one business day after receipt thereof from the District or its designee, but in any event, no later than the date of closing and (ii) to take any and all other actions necessary to comply with the applicable rules of the Securities and Exchange Commission and the MSRB governing the offering, sale and delivery of the Notes to the ultimate purchasers.

#### **XXIV. Continuing Disclosure:**

In order to assist bidders in complying with the Rule, the District will undertake in a Continuing Disclosure Certificate to provide notices of the occurrence of events enumerated therein. A description of this undertaking and a form of the Continuing Disclosure Certificate are included in the Preliminary Official Statement.

## **XXV. Rating:**

Moody's Investor Service has assigned to the Notes the rating shown on the cover page of the Preliminary Official Statement or, if not so indicated, will be available upon request from the Municipal Advisor. Such rating reflects only the views of such organization and an explanation of the significance of such rating may be obtained from such. There is no assurance that the rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency, if, in the judgment of such agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

## **XXVI. Right to Cancel, Postpone, or Reschedule Sale:**

The District reserves the right to cancel, postpone or reschedule the sale of the Notes upon notice given through the Bloomberg News Service, Thomson Municipal Market Monitor ([www.tm3.com](http://www.tm3.com)) or *The Bond Buyer* not later than 1:00 p.m. (Pacific Daylight Time) on the day prior to the date bids are to be received. If the sale is postponed, bids will be received at the place set forth above, at the date and time as the District shall determine. Notice of the new sale date and time, if any, will be given through Bloomberg News Service, Thomson Municipal Market Monitor ([www.tm3.com](http://www.tm3.com)) or *The Bond Buyer* no later than twenty-three (23) hours prior to the new time bids are to be received. As an accommodation to bidders, telephone or fax notice of the postponement of the sale date and of the new sale date will be given to any bidder requesting such notice from the Municipal Advisor. Failure of any bidders to receive such notice shall not affect the legality of the sale.

**XXVII. Additional Information:**

Copies of the Notice Inviting Proposals, and the Preliminary Official Statement relating to the Notes will be furnished to any bidder upon request made to Keygent, LLC, Attn: Chris Hiatt, phone: (310) 322-4222, [chris.hiatt@keygentcorp.com](mailto:chris.hiatt@keygentcorp.com), the Municipal Advisor to the District.

Dated: \_\_\_\_\_, 2023

SAN MATEO UNION HIGH SCHOOL  
DISTRICT

By: \_\_\_\_\_  
Associate Superintendent/Chief Business  
Officer

EXHIBIT A

\$ \_\_\_\_\_  
SAN MATEO UNION HIGH SCHOOL DISTRICT  
(San Mateo County, California)  
2023-24 Tax and Revenue Anticipation Notes

CERTIFICATE OF THE PURCHASER

The undersigned, on behalf of \_\_\_\_\_, hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Notes”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by \_\_\_\_\_ are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Notes used by \_\_\_\_\_ in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by \_\_\_\_\_ to purchase the Notes.

(b) \_\_\_\_\_ was not given the opportunity to review other bids prior to submitting its bid.<sup>1</sup>

(c) The bid submitted by \_\_\_\_\_ constituted a firm offer to purchase the Notes.

2. ***Defined Terms.***

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

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

(c) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees

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<sup>1</sup> Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents \_\_\_\_\_'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the San Mateo Union High School District (the "District") with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Stradling, Yocca, Carlson & Rauth, a Professional Corporation, Bond Counsel, in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Notes.

\_\_\_\_\_, as  
Underwriter

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

—

Name: \_\_\_\_\_

—

Dated: \_\_\_\_\_, 2023

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**  
*(Attached)*

**SCHEDULE B**  
**COPY OF UNDERWRITER'S BID**  
*(Attached)*

**EXHIBIT C**

**NOTICE OF INTENTION TO SELL**

**\$ \_\_\_\_\_\***  
**SAN MATEO UNION HIGH SCHOOL DISTRICT**  
**(San Mateo County, California)**  
**2023-24 Tax and Revenue Anticipation Notes**

**NOTICE IS HEREBY GIVEN** that the San Mateo Union High School District (the "District"), in San Mateo County, California, intends to offer for public sale on \_\_\_\_\_, 2023, at the hour of \_\_\_\_\_ a.m. Pacific Daylight Time, at the office of Keygent, LLC, 1730 E. Holly Avenue, Suite 762, El Segundo, California 90245 not to exceed \$ \_\_\_\_\_\* principal amount of tax and revenue anticipation notes of the District designated "San Mateo Union High School District (San Mateo County, California) 2023-24 Tax and Revenue Anticipation Notes" (the "Notes"). Within 26 hours, San Mateo County, together with the Superintendent or Associate Superintendent/Chief Business Officer of the District, will consider the bids received and, if acceptable bids are received, which comply with the provisions of the Notice Inviting Proposals for Purchase of the Notes described below, award the sale of the Notes on the basis of the true interest cost. In the event that no bids are awarded by the designated time, proposals will be received at a subsequent time and date to be determined by the District and publicized via PARITY, the Bond Buyer Wire, or Thomson Municipal Market Monitor ([www.tm3.com](http://www.tm3.com)).

**NOTICE IS HEREBY FURTHER GIVEN** that the Notes will be offered for public sale subject to the terms and conditions of the Notice Inviting Proposals for Purchase of the Notes, dated \_\_\_\_\_, 2023. Copies of the Preliminary Official Statement and Notice Inviting Proposals for Purchase of Notes will be furnished upon request made to Keygent, LLC, 1730 E. Holly Avenue, Suite 762, El Segundo, California 90245, Attn: Chris Hiatt, phone: (310) 322-4222, e-mail: [chris.hiatt@keygentcorp.com](mailto:chris.hiatt@keygentcorp.com) the Municipal Advisor to the District for the Notes.

Dated: \_\_\_\_\_, 2023

SAN MATEO UNION HIGH SCHOOL  
DISTRICT

By: \_\_\_\_\_  
Associate Superintendent/Chief Business  
Officer

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\* Preliminary, subject to change.

SAN MATEO UNION HIGH SCHOOL DISTRICT  
SAN MATEO COUNTY, CALIFORNIA  
2023-24 TAX AND REVENUE ANTICIPATION NOTE

**EXHIBIT D**

**FORM OF MEMORANDUM AWARDING NOTES**

\$ \_\_\_\_\_  
**SAN MATEO UNION HIGH SCHOOL DISTRICT**  
**(San Mateo County, California)**  
**2023-24 Tax and Revenue Anticipation Notes**

MEMORANDUM AWARDING THE  
2023-24 TAX AND REVENUE ANTICIPATION NOTES

The Undersigned, as [Treasurer-Tax Collector] of San Mateo County (the "County"), on behalf of the San Mateo Union High School District (the "District"), hereby confirms that on \_\_\_\_\_, 2023, the bids attached as Exhibit A hereto were received, and, pursuant to the Resolution of the Board of Supervisors of the County adopted on July 11, 2023 and a resolution of the Board of Trustees of the District adopted on May 18, 2023, hereby award the San Mateo Union High School District (San Mateo County, California) 2023-24 Tax and Revenue Anticipation Notes to \_\_\_\_\_.

Dated: \_\_\_\_\_, 2023

**SAN MATEO COUNTY, CALIFORNIA**

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

Approved as to form:

**COUNTY COUNSEL**

By: \_\_\_\_\_  
Deputy County Counsel

Acknowledged:

**SAN MATEO UNION HIGH SCHOOL DISTRICT**

By: \_\_\_\_\_  
Associate Superintendent/Chief Business Officer

EXHIBIT A

TABULATION OF  
2023-24 TAX AND REVENUE ANTICIPATION NOTES  
BIDS RECEIVED

I certify that the following bids, all in conformity with the Notice Inviting Proposals for Purchase of Notes, were received on or before \_\_\_\_\_ a.m., Pacific Daylight Time, on \_\_\_\_\_, 2023, for the above-referenced notes of San Mateo Union High School District:

[TO COME]

The bid received from \_\_\_\_\_ was the successful bidder on the basis of lowest true interest cost.

By: \_\_\_\_\_  
Authorized Officer  
Keygent LLC