

\$ _____
STOCKTON PUBLIC FINANCING AUTHORITY
WASTEWATER REVENUE REFUNDING BONDS, SERIES 2024
(WASTEWATER REFUNDING PROJECT)

BOND PURCHASE AGREEMENT

_____, 2024

Stockton Public Financing Authority
 425 N. El Dorado Street
 Stockton, California 95202

City of Stockton
 425 N. El Dorado Street
 Stockton, California 95202

Ladies and Gentlemen:

Hilltop Securities Inc., on behalf of itself and as representative (the “**Representative**”) of Oppenheimer & Co. Inc. (collectively, with the Representative, the “**Underwriters**”), hereby offers to enter into this Bond Purchase Agreement (this “**Bond Purchase Agreement**”) with the Stockton Public Financing Authority (the “**Authority**”), a joint exercise of powers authority duly organized and validly existing under and pursuant to the laws of the State of California (the “**State**”), and the City of Stockton (the “**City**”), a municipal corporation and charter city duly organized and validly existing pursuant to the Constitution and laws of the State, which upon written acceptance of this offer, will be binding upon the Authority, the City and the Underwriters. This offer is made subject to the Authority’s and the City’s written acceptance hereof on or before 11:59 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon written notice delivered to the Authority and the City at any time prior to the acceptance hereof by the Authority and the City.

Capitalized terms used and not defined herein shall have the same meanings as set forth in the 2024 Installment Purchase Contract, the 2024 Indenture and the Official Statement (each as defined below).

1. Purchase and Sale of the Series 2024 Bonds

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby jointly and severally agree to purchase from the Authority, and the Authority hereby agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$ _____ aggregate principal amount of Stockton Public Financing Authority Wastewater Revenue Refunding Bonds, Series 2024 (Wastewater Refunding Project) (the “**Series 2024 Bonds**”). The Series 2024 Bonds will be issued on the Closing Date (as hereinafter defined), in the principal amount of \$ _____. The Series 2024 Bonds will bear interest from the Closing Date at the respective rates and will mature in the principal amounts on the respective dates set forth on Schedule I attached hereto. The purchase price for the Series 2024 Bonds shall be \$ _____, being the principal amount

of the Series 2024 Bonds plus original issue premium of \$ _____ and less an Underwriters' discount of \$ _____.

The Representative represents and warrants that: (i) it has been duly authorized by and on behalf of the Underwriters to execute this Bond Purchase Agreement; and (ii) it has been duly authorized by the Underwriters to act hereunder and, as the representative of the Underwriters, to take all actions, and waive any condition or requirement, required or permitted to be taken or waived hereunder by the Underwriters. The Underwriters shall not designate any other representative except upon the approval of the Authority and the City (which approval shall not be unreasonably withheld). The Underwriters agree to comply with all applicable Securities and Exchange Commission rules and rules of the Municipal Securities Rulemaking Board (the "**MSRB**") governing the offering, sale and delivery of the Series 2024 Bonds to ultimate purchasers.

The Authority and the City acknowledge and agree that: (i) the primary role of the Underwriters, as underwriters, is to purchase securities, for resale to investors, in an arm's length commercial transaction among the Authority, the City and the Underwriters and the Underwriters have financial and other interests that differ from those of the Authority and/or the City; (ii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the Authority or the City and have not assumed any advisory or fiduciary responsibility to the Authority or the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Authority or the City on other matters); (iii) other than as imposed by law, the only obligations the Underwriters have to the Authority and/or the City with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement; and (iv) the Authority and the City have each consulted their own financial and/or municipal, legal, accounting and other advisors, as applicable, to the extent it has deemed appropriate. The Authority and the City acknowledge that they have previously provided the Representative with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB.

2. **Description and Purpose of the Series 2024 Bonds**

The Series 2024 Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable as provided in the 2024 Indenture, dated as of August 1, 2024 (the "**2024 Indenture**"), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"). The Series 2024 Bonds are [not] subject to redemption prior to maturity, as provided in the 2024 Indenture.

The Series 2024 Bonds are limited obligations of the Authority payable from and secured by a pledge of the Revenues (as defined in the 2024 Indenture) comprised primarily of 2024 Installment Payments to be made by the City pursuant to the 2024 Installment Purchase Contract, dated as of August 1, 2024 (the "**2024 Installment Purchase Contract**"), between the Authority and the City.

The pledge and right of payment from Net System Revenues securing the 2024 Installment Payments (which, in turn, constitute the primary source of the Revenues that are pledged to secure the repayment of the Series 2024 Bonds) is on a parity to the pledge and right of payment from Net System Revenues securing (1) installment payments made by the City to the Authority in connection with a bond issued by the United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency, in the original aggregate principal amount of up to \$108,000,000, which is current outstanding in the

aggregate principal amount of \$[____], and (2) a November 2021 loan issued by the California State Water Resources Control Board in the original aggregate principal amount of \$46,800,000, which is currently outstanding in the aggregate principal amount of \$[____], and that will remain outstanding following the issuance of the Series 2024 Bonds.

The proceeds of the sale of the Series 2024 Bonds will be used to: (i) refund all of the outstanding principal amount of the Stockton Public Financing Authority Wastewater Revenue Refunding Bonds, Series 2014 (1998 Wastewater Project and 2003 Wastewater Project); [(ii) pay the premiums of a municipal bond insurance policy (the “**Policy**”) and a municipal bond debt service reserve insurance policy (the “**Reserve Policy**”) for the Series 2024 Bonds, each to be issued by _____ (the “**Insurer**”);] and (iii) pay certain costs for the Series 2024 Bonds.

[The scheduled payment of principal of and interest on the Series 2024 Bonds when due will be guaranteed under the Policy to be issued concurrently with the delivery of the Series 2024 Bonds by the Insurer. The Insurer will also issue the Reserve Policy concurrently with the delivery of the Series 2024 Bonds.]

3. **Public Offering**

(a) The Underwriters agree to make a bona fide public offering of all the Series 2024 Bonds initially at prices not in excess of the public offering prices (or less than the yields) set forth on Schedule I attached hereto and incorporated herein by this reference. Subsequent to the initial public offering, the Underwriters reserve the right to change the public offering prices (or yields) as they deem necessary in connection with the marketing of the Series 2024 Bonds, provided that the Underwriters shall not change the interest rates set forth on Schedule I. The Series 2024 Bonds may be offered and sold to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by one or more of the Underwriters, at prices lower than such initial public offering prices. In connection with the sale and delivery of the Series 2024 Bonds, the Representative will deliver an Issue Price Certificate substantially in the form attached hereto as Exhibit A.

(b) The Authority and the City hereby authorize the use by the Underwriter of the 2024 Indenture and the 2024 Installment Purchase Contract in connection with the public offering and sale of the Series 2024 Bonds.

4. **Delivery of Official Statement; Continuing Disclosure**

(a) Preliminary Official Statement. The Authority and the City have delivered or caused to be delivered to the Underwriters prior to the execution of this Bond Purchase Agreement, copies, including electronic copies, of the Preliminary Official Statement dated _____, 2024 relating to the Series 2024 Bonds (the “**Preliminary Official Statement**”). Such Preliminary Official Statement is the official statement deemed final by the Authority and the City for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “**Rule**”), except for certain information permitted to be omitted therefrom by the Rule, and approved for distribution by the Underwriters by resolution of the Board of Directors of the Authority and by the City Council of the City. The Authority and the City hereby ratify and confirm their authorization of the use by the Underwriters prior to the date hereof of the Preliminary Official Statement.

(b) Final Official Statement. Within seven (7) business days from the date hereof, and in any event not later than two business days prior to the Closing Date, the Authority and the City shall deliver to

the Underwriters a final Official Statement, which may be in electronic form, executed on behalf of the Authority and the City by authorized representatives of such entities, which shall include information permitted to be omitted from the Preliminary Official Statement by paragraph (b)(1) of the Rule and with such other amendments or supplements as shall have been approved by the Authority, the City and the Representative (the “**Final Official Statement**”) and such additional conformed copies thereof, which may be electronic copies, as the Underwriters may reasonably request in sufficient quantities to comply with the Rule and rules of the MSRB and to meet potential customer requests for copies of the Final Official Statement. The Authority and the City hereby agree to deliver to the Underwriters an electronic copy of the Official Statement in a form that permits the Underwriters to satisfy their obligations under the rules and regulations of the MSRB and the Securities and Exchange Commission. Electronic copies of the Official Statement shall be filed and posted by the Representative on the MSRB’s Electronic Municipal Market Access System (“**EMMA**”) in connection with the offer and sale of the Series 2024 Bonds as provided herein, which may be in lieu of hard copies of the Official Statement. The Authority and the City hereby authorize the Underwriters to use the Final Official Statement and the information contained therein in connection with the offering and sale of the Series 2024 Bonds. The Authority and the City shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB’s Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriters no later than one (1) business day prior to the Closing Date to enable the Underwriters to comply with MSRB Rule G-32. The Underwriters covenant to file, or cause to be filed, the Official Statement (and any supplement and amendment thereof furnished to the Underwriters pursuant to this Section 4), with EMMA.

(c) Continuing Disclosure Certificate. In order to enable the Underwriters to comply with the Rule, the City will execute a Continuing Disclosure Certificate concurrently with issuance of the Series 2024 Bonds substantially in the form attached as Appendix D to the Final Official Statement (the “**Continuing Disclosure Certificate**”).

5. **Closing**

At 8:30 a.m. Pacific time on _____, 2024, or such other time as shall be agreed upon by the Representative, the City and the Authority (the “**Closing Date**”), the Authority will deliver or cause to be delivered to the Underwriters by electronic means provided by Hawkins Delafield & Wood LLP, San Francisco, California (“**Bond Counsel**”), or by such other means as may be designated by the Representative and approved by the Authority and the City), the closing documents hereinafter mentioned and, through the F.A.S.T. facilities of The Depository Trust Company (“**DTC**”), the Series 2024 Bonds in the form of registered book-entry bonds evidenced by one certificate for each maturity of the Series 2024 Bonds (which may be typewritten) in denominations of \$5,000 or any multiple thereof, duly executed by the Authority and authenticated by the Trustee, and subject to the terms and conditions hereof the Underwriters will accept delivery of the Series 2024 Bonds in book-entry form, and the Underwriters will pay the purchase price of the Series 2024 Bonds set forth in Section 1 by Federal Funds wire (such delivery and payment being herein referred to as “**Closing**”).

6. **Representations, Warranties and Agreements of the Authority**. For purposes of this Section 6, “to the best of the Authority’s knowledge” means to the best knowledge of the officers thereof.

The Authority represents, warrants and covenants with the City and the Underwriters that:

- (a) the Authority is a joint exercise of powers authority duly organized and validly existing under and pursuant to the laws of the State, with full legal right, power and authority to issue, sell and deliver the Series 2024 Bonds to the Underwriters pursuant to the 2024 Indenture, and execute, deliver and perform its obligations, as the case may be, under this Bond Purchase Agreement, the Series 2024 Bonds, the 2024 Installment Purchase Contract and the 2024 Indenture (collectively, the “**Legal Documents**”) and to carry out and consummate all transactions on its part contemplated by each of the aforesaid documents and the Final Official Statement, and compliance by the Authority with the provisions of the Legal Documents will not materially conflict with or constitute a breach of or default under any applicable constitutional provision, law, administrative regulation, court order or consent decree or any applicable judgment or decree or any loan agreement, note, resolution, indenture, agreement or other instrument to which the Authority is a party or may be otherwise subject;
- (b) the resolution adopted by the Board of Directors of the Authority on [July 9, 2024] approving and authorizing the execution and delivery by the Authority of the Legal Documents, the Preliminary Official Statement, the Final Official Statement and the Series 2024 Bonds (the “**Authority Resolution**”) was duly adopted at a meeting of the Authority called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed;
- (c) when delivered by the Authority and paid for by the Underwriters in accordance with the provisions of this Bond Purchase Agreement, the Series 2024 Bonds will have been duly authorized, executed and delivered by, and will constitute the valid and binding limited obligations of, the Authority in conformity with, and entitled to the benefit and security of, the 2024 Indenture;
- (d) the Authority has duly authorized and approved the execution and delivery of the Legal Documents and when fully executed and delivered, the Legal Documents, assuming due authorization, execution and delivery by the other respective parties thereto, will constitute the legally valid and binding obligations of the Authority enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally;
- (e) except as otherwise disclosed in the Final Official Statement, as of the Closing, the Authority will be in compliance with the covenants and agreements contained in the Legal Documents, and no event has occurred and is continuing which, with the passage of time or giving of notice, or both, would, to the knowledge of the Authority, constitute an event of default thereunder;
- (f) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the preparation and distribution of the Preliminary Official Statement and the Official Statement or the due performance by the Authority of its obligations under the Legal Documents have been duly obtained or made, and are, and will be as of the Closing Date, in full force and effect;
- (g) the Authority will comply with the requirements of the Tax Certificate executed by the Authority and the City in connection with the delivery of the Series 2024 Bonds;
- (h) any certificate signed by any officer of the Authority and delivered to the Underwriters pursuant to the Legal Documents or any document contemplated hereby or thereby shall be deemed a representation and warranty by the Authority to the Underwriters as to the statements made therein and that such officer shall have been duly authorized to execute the same;

(i) as of the date hereof there is not, and as of the Closing Date there will not be, a public vote or referendum pending or proposed, the results of which could materially adversely affect the transactions contemplated by the Preliminary Official Statement, the Official Statement, the Legal Documents or the Series 2024 Bonds, or the Revenues securing the Series 2024 Bonds, or the validity or enforceability of the Legal Documents or the Series 2024 Bonds;

(j) the 2024 Indenture creates a valid pledge of and grant of a first priority security interest in the Revenues purported to be pledged thereby, subject to no prior pledges or security interests other than as described in the Final Official Statement;

(k) the information under the headings “THE AUTHORITY” and “ABSENCE OF MATERIAL LITIGATION – The Authority” in the Preliminary Official Statement, as of the date of the Preliminary Official Statement and as of the date hereof, was and is true and correct in all material respects, and did not and does not contain a misstatement of any material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading;

(l) the information under the headings “THE AUTHORITY” and “ABSENCE OF MATERIAL LITIGATION – The Authority” in the Final Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and such information in the Final Official Statement contains, and up to and including the Closing will contain, no misstatement of any material fact and does not, and up to and including the Closing will not, omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading;

(m) the Authority will advise the Representative and the City promptly of any proposal to amend or supplement the Final Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Representative and the City, which consents will not be unreasonably delayed or withheld, and the Authority will advise the Representative and the City promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Final Official Statement in connection with the offering, sale or distribution of the Series 2024 Bonds;

(n) as of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Preliminary Official Statement and the Final Official Statement, the Authority is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach or default would materially adversely affect the security for the Series 2024 Bonds or the Authority’s performance under the Legal Documents; and, as of such times, except as disclosed in the Final Official Statement, the authorization, execution and delivery by the Authority of the Legal Documents and the Series 2024 Bonds and compliance by the Authority with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject,

or by which it or any of its properties is bound; nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Series 2024 Bonds and the Legal Documents;

(o) as of the time of acceptance hereof and the Closing, except as disclosed in the Preliminary Official Statement and the Final Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, notice of which has been given to the Authority, before or by any court, government agency, public board or body, is pending or to the best of the Authority's knowledge after reasonable investigation, threatened (i) in any way questioning the corporate existence of the Authority or the titles of the Commissioners, Chair, Vice Chair or Secretary and Treasurer of the Authority to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of any of the Series 2024 Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Series 2024 Bonds, or in any way contesting or affecting the validity of the Series 2024 Bonds, the Legal Documents or the consummation of the transactions contemplated thereby or hereby, or contesting the exclusion of the interest on the Series 2024 Bonds from gross income for Federal income tax purposes or contesting the powers of the Authority or its authority to issue the Series 2024 Bonds; (iii) which may result in any material adverse change relating to the Authority; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Final Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Final Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, nor, to the knowledge of the Authority, is there any basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this paragraph;

(p) for purposes of the Rule, the Authority has heretofore deemed final the Preliminary Official Statement prior to its use and distribution by the Underwriters, except for the information specifically permitted to be omitted by paragraph (b)(1) of the Rule; and

(q) the Authority has not entered into any contract or agreement that would limit or restrict the Authority's ability to enter into this Bond Purchase Agreement for the sale of the Series 2024 Bonds to the Underwriters.

All representations, warranties and agreements of the Authority shall remain operative and in full force and effect, regardless of any investigations made by or on the Underwriters' behalf, and shall survive the delivery of the Series 2024 Bonds.

7. Representations, Warranties, and Agreements of the City. The City represents, warrants and covenants with the Underwriters that:

(a) the City is a municipal corporation and charter city duly organized and validly existing pursuant to the Constitution and laws of the State, with full legal right, power, and authority to execute, deliver and perform its obligations, as the case may be, under this Bond Purchase Agreement, the Continuing Disclosure Certificate and the 2024 Installment Purchase Contract (collectively, the "**City's Legal Documents**") and to carry out and consummate all transactions on its part contemplated by each of the City's Legal Documents, and compliance by the City with the provisions of the City's Legal Documents will not materially conflict with or constitute a breach of or default under any applicable

constitutional provision, law, charter provision, administrative regulation, court order or consent decree or any applicable judgment or decree or any loan agreement, note, resolution, indenture, agreement or other instrument to which the City is a party or may be otherwise subject;

(b) the resolution adopted by the City Council of the City on [July 9, 2024] approving and authorizing the execution and delivery by the City of the City's Legal Documents, the Preliminary Official Statement, the Final Official Statement and the Series 2024 Bonds (the "**City Resolution**") was duly adopted at a meeting of the City called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed;

(c) as of the time of acceptance hereof and the Closing, except as otherwise disclosed in the Preliminary Official Statement and the Final Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity, notice of which has been given to the City, or by or before any court, governmental agency, public board or body pending or, to the best knowledge of the City, after reasonable investigation, threatened against or affecting the City (i) which in any way contests the existence, organization or powers of the City or the title of the officers of the City to their respective offices, or (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Series 2024 Bonds, or the payment or collection of revenues or assets of the City pledged or to be pledged to pay the obligations of the City under the 2024 Installment Purchase Contract, or the pledge thereof, or (iii) in any way contesting or affecting the validity or enforceability of the City's Legal Documents, or (iv) contesting the power of the City or its authority with respect to the Series 2024 Bonds or the City's Legal Documents, (v) contesting the exclusion of interest on the Series 2024 Bonds from gross income for Federal income tax purposes or contesting the completeness or accuracy of the Preliminary Official Statement or the Final Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Final Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; nor, to the best knowledge of the City, is there any basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (v) of this paragraph;

(d) the execution and delivery of the City's Legal Documents, the adoption of the City Resolution and compliance by the City with the provisions of the foregoing, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject;

(e) the City has duly authorized the preparation and distribution of the Preliminary Official Statement and the Final Official Statement and the execution and delivery of the City's Legal Documents and when executed and delivered, the City's Legal Documents, assuming due authorization, execution and delivery by the other respective parties thereto, will constitute the legally valid and binding obligations of the City enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally;

(f) except as otherwise disclosed in the Preliminary Official Statement and the Final Official Statement, the City is not in violation or breach of or default under any applicable law or administrative regulation of the State or the United States of America, or any agency or instrumentality of either of

them, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute a violation or a breach of or a default under any such instrument; which violation, breach or default would materially adversely affect the security of the Series 2024 Bonds or the City's performance under the City's Legal Documents; and, except as disclosed in the Preliminary Official Statement and the Final Official Statement, the authorization, execution and delivery by the City of the City's Legal Documents and compliance by the City with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, which conflict, breach or default would materially adversely affect the security of the Series 2024 Bonds or the City's performance under the City's Legal Documents; nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the City's Legal Documents;

(g) as of the date hereof, the City is, and as of the Closing Date will be, except as otherwise disclosed in the Preliminary Official Statement and the Final Official Statement, in compliance with the covenants and agreements contained in the City's Legal Documents, and no event has occurred and is continuing which, with the passage of time or giving of notice, or both, would, to the knowledge of the City, constitute an event of default thereunder shall have occurred and be continuing;

(h) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the preparation and distribution of the Preliminary Official Statement and the Final Official Statement or the due performance by the City of its obligations under the City's Legal Documents have been duly obtained or made and are in full force and effect;

(i) the City will comply with the requirements of the Tax Certificate executed by the Authority and the City in connection with the delivery of the Series 2024 Bonds;

(j) any certificate signed by any duly authorized officer of the City and delivered to the Underwriters pursuant to the City's Legal Documents or any document contemplated thereby shall be deemed a representation and warranty by the City to the Underwriters as to the statements made therein;

(k) to the best knowledge of the City as of the date hereof, there is no public vote or referendum pending or proposed, the results of which could adversely affect the transactions contemplated by the Final Official Statement, the City's Legal Documents or the Series 2024 Bonds, or the Revenues securing the Series 2024 Bonds, or the validity or enforceability of the Series 2024 Bonds;

(l) the City has full legal right, power and authority to pledge the Net System Revenues, and the pledge of the Net System Revenues pursuant to the 2024 Installment Purchase Contract constitutes a valid first priority lien and pledge on the Net System Revenues purported to be pledged thereby, subject to no prior pledges or security interests other than as described in the Final Official Statement;

(m) the information in the Preliminary Official Statement, as of its date and as of the date hereof, was and is true and correct in all material respects, and contained and contains no untrue statement of any material fact, and did not and does not omit to state any material fact necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading, provided, however, the City makes no representation or warranty with respect to the information concerning the Insurer, the Policy, the Reserve Policy, DTC and its book-entry system, or with respect to any statements or omissions made in reliance upon and in conformity with information furnished to the City in writing by the Underwriters expressly for use in the Preliminary Official Statement which the parties agree consists only of the information under the heading “UNDERWRITING” in the Preliminary Official Statement;

(n) the information in the Final Official Statement is, and at all times subsequent to the date of the Final Official Statement up to and including the Closing Date will be, true and correct in all material respects, and the Final Official Statement contains, and up to and including the Closing Date will contain, no untrue statement of any material fact and does not, and up to and including the Closing Date will not, omit to state any material fact necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading, provided, however, (i) the City makes no representation or warranty with respect to any information concerning the Insurer, the Policy, the Reserve Policy, DTC and its book-entry system or with respect to any statements or omissions made in reliance upon and in conformity with any information furnished to the City in writing by the Underwriters expressly for use in the Final Official Statement and any amendment or supplement thereto, and (ii) the City acknowledges that the only information relating to the Underwriters furnished to the City in writing by the Underwriters expressly for use in the Final Official Statement and any amendment or supplement thereto is the identity of the Underwriters on the bottom of the cover page of the Final Official Statement and the information under the heading “UNDERWRITING” in the Final Official Statement and the pricing information appearing on the inside front cover of the Final Official Statement;

(o) the City will advise the Representative and the Authority promptly of any proposal to amend or supplement the Final Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Representative and the Authority which consents will not be unreasonably delayed or withheld, and the City will advise the Representative and the Authority promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Final Official Statement in connection with the offering, sale or distribution of the Series 2024 Bonds;

(p) the City has not, in the last five years, failed to comply in any material respect with its obligations under any continuing disclosure undertaking entered into pursuant to the Rule except as disclosed in the Preliminary Official Statement and Final Official Statement. The City will undertake, pursuant to the Continuing Disclosure Certificate to provide annual reports and notices of certain events in accordance with the requirements of the Rule.

(q) for purposes of the Rule, the City has heretofore deemed final the Preliminary Official Statement prior to its use and distribution by the Underwriters, except for the information specifically permitted to be omitted by paragraph (b)(1) of the Rule;

(r) the financial statements of the City for Fiscal Year ended June 30, 2023 fairly present the financial position of the City and results of operations thereof as of the dates and for the periods therein

set forth, and the City believes that such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied;

All representations, warranties and agreements of the City shall remain operative and in full force and effect, regardless of any investigations made by or on the Underwriters' behalf, and shall survive the delivery of the Series 2024 Bonds

8. **Establishment of Issue Price.** (a) The Representative, on behalf of the Underwriters, agrees to assist the Authority in establishing the issue price of the Series 2024 Bonds and shall execute and deliver to the Authority and the City on the Closing Date an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2024 Bonds.

(b) The Representative confirms that the Underwriters have offered each maturity of the Series 2024 Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "**initial offering price**"), or at the corresponding yield or yields, set forth in Schedule I. Each separate CUSIP number within a maturity will be treated as its own maturity for purposes of this Section 8. Except for any maturities subject to the hold-the-offering-price rule (as defined below) identified in Schedule I attached hereto, the Authority will treat the first price at which 10% of each maturity of the Series 2024 Bonds (the "**10% test**") is sold to the public as the issue price of that maturity. Prior to the execution of this Bond Purchase Agreement, the Representative shall report to the Authority the price or prices at which the underwriters have sold to the public each maturity of Series 2024 Bonds.

(c) Schedule I also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2024 Bonds for which the 10% test has not been satisfied, including any maturities for which the Authority and the Representative, on behalf of the other Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "**hold-the-offering-price rule**"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2024 Bonds, the Underwriters will neither offer nor sell unsold Series 2024 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date;
- (ii) or the date on which the underwriters have sold at least 10% of that maturity of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall within one business day report to the Authority when the underwriters have sold 10% of that maturity of the Series 2024 Bonds 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 (this reporting requirement, if applicable, together with the reporting requirement in the immediately preceding paragraph, the "**Reporting Requirements**").

(d) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Series 2024 Bonds 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 third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Series 2024 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires,

(B) to promptly notify the Representative of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2024 Bonds to the public (each such term being used as defined below),

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

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Series 2024 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2024 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such underwriter or dealer that the 10% test has been satisfied as to the Series 2024 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or such underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the underwriter or the dealer and as set forth in the related pricing wires.

(e) The Authority acknowledges that, in making the representations set forth in subsection (c) of this Section 8, the Representative will rely on (i) the agreement of each underwriter to comply with the requirements for establishing the issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, 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 Series 2024 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the

requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2024 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing the issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement to adhere to the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds.

(f) The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2024 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

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

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2024 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2024 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2024 Bonds to the public),

(iii) a purchaser of any of the Series 2024 Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

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

9. Conditions to the Obligations of the Underwriters

The Underwriters hereby enter into this Bond Purchase Agreement in reliance upon the representations and warranties of the Authority and the City contained herein, and the representations and warranties to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the Authority, the City and the Trustee of their respective obligations both on and as of the date hereof and on and as of the Closing Date. Accordingly, the Underwriters' obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2024 Bonds on the Closing Date shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties of the Authority and the City contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Authority, the City and the Trustee made in any certificate or document furnished pursuant to the provisions hereof, to the performance by the Authority, the City and the Trustee of their respective obligations to be performed hereunder and under the Series 2024 Bonds, the Legal Documents and the City's Legal Documents at or prior to the date hereof and at or prior to the Closing Date, and also shall be subject to the following additional conditions:

- (a) On the Closing Date, the Legal Documents and the City's Legal Documents shall have been duly authorized, executed and delivered by the Authority and by the City where each is a party, all in substantially the forms heretofore submitted to the Representative, with only such changes as shall have been agreed to in writing by the Representative, and shall be in full force and effect; and there shall be in full force and effect such resolutions and ordinances of the Board of Directors of the Authority and the City Council as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;
- (b) On the Closing Date, all necessary action of the Authority and the City relating to the issuance and sale of the Series 2024 Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented;
- (c) On or prior to the time of the Closing, the Underwriters shall have received the following documents, in each case reasonably satisfactory in form and substance to the Representative:
 - (i) the Official Statement and each supplement or amendment thereto, if any
 - (ii) one copy of the Legal Documents and the City's Legal Documents, each duly executed and delivered by the respective parties thereto;
 - (iii) the approving opinion, dated the date of the Closing and addressed to the Authority, of Bond Counsel in substantially the form of Appendix F to the Final Official Statement, and a letter of such counsel, dated the Closing Date, and addressed to the Underwriters to the effect that such opinion may be relied upon by the Underwriters to the same extent as if such opinion were addressed to them;
 - (iv) a supplemental opinion or opinions of Bond Counsel addressed to the Underwriters, in form and substance acceptable to the Representative, and dated the date of the Closing substantially to the following effect:
 - (A) the City and the Authority have duly and validly executed the Bond Purchase Agreement, and, assuming the due authorization, execution and delivery by and validity against the Underwriters, the Bond Purchase Agreement constitutes the legal, valid and binding agreement of the City and the

Authority, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion in appropriate cases;

(B) the statements contained in the Final Official Statement on the cover page and under the captions "INTRODUCTION," "THE 2024 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE 2024 BONDS," "TAX MATTERS," and in Appendices C and F thereto, are accurate insofar as such statements expressly summarize certain provisions of the Series 2024 Bonds, the 2024 Indenture, the 2024 Installment Purchase Contract, and Bond Counsel's final approving opinion relating to the Series 2024 Bonds; and

(C) the Series 2024 Bonds are exempt from registration under the Securities Act of 1933, as amended, and the 2024 Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(v) a letter from Hawkins Delafield & Wood LLP ("**Disclosure Counsel**"), dated the Closing Date and addressed to the Underwriter, Authority and City, substantially to the effect that on the basis of the information developed in the course of such firm's performance of services as Disclosure Counsel, such firm is of the view, subject to certain limitations to be set forth in such letter, that as of the Closing Date such firm has no reason to believe that the Preliminary Official Statement as of its date and the date of this Bond Purchase Agreement and the Final Official Statement ([excluding therefrom financial, demographic, economic, engineering and statistical data, forecasts, numbers, charts, tables, graphs, projections, estimates, assumptions and expressions of opinion, CUSIP numbers (or other identification numbers, if applicable), ratings and information relating to [the Insurer, the Policy, the Reserve Policy,] DTC and the book-entry only system, and information in Appendices B, E and G], as to all of which such firm expresses no opinion) as of its date and as of the Closing Date contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vi) the opinion of Kutak Rock LLP, Irvine, California, counsel to the Underwriters ("**Underwriters' Counsel**"), dated the Closing Date, addressed to the Underwriters, in form and substance satisfactory to the Underwriters;

(vii) the opinion of the counsel to the Authority dated the Closing Date and addressed to the Underwriters, substantially to the effect that: (A) the Authority is a joint exercise of powers authority duly organized and validly existing under the laws of the State of California; (B) the Authority Resolution was duly adopted at a regular meeting of the Authority that was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed; (C) other than as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending, notice of which has been given to the Authority, or, to the best knowledge of such counsel after reasonable investigation, threatened against or affecting the Authority, to restrain or enjoin the issuance, execution, delivery or sale of the Series 2024 Bonds or the collection or payment of Revenues that are the source of security for the Series 2024 Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Series 2024 Bonds or the Legal Documents, or in any way contesting or affecting the existence of the Authority or the title of any official of the Authority to such person's office, or contesting the power of the Authority or its authority with respect to the Series 2024 Bonds or the Legal Documents or contesting the exclusion of interest on the Series 2024 Bonds

from gross income for federal income tax purposes or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (D) the execution and delivery of the Series 2024 Bonds and the Legal Documents, the adoption of the Authority Resolution, and compliance by the Authority with the provisions of the Series 2024 Bonds, the Legal Documents and the Authority Resolution, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach or default under any agreement or other instrument to which the Authority is a party or by which it is bound or by any existing law, regulation, court order or consent decree to which the Authority is subject; (E) the Legal Documents have been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the limitations on legal remedies against public agencies in the State and the application of equitable principles if equitable remedies are sought; (F) no authorization, approval, consent, or other order of the United States of America, the State, or any other governmental authority or agency within the State having jurisdiction over the Authority is required for the valid authorization, execution, delivery and performance by the Authority of the Legal Documents or for the adoption of the Authority Resolution which has not been obtained and is in full force and effect;; and (G) that while such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or in the Official Statement and make no representation that such counsel has independently verified the accuracy, completeness or fairness of any such statements, such counsel advises as a matter of fact and not opinion that (a) no facts had come to such counsel's attention which caused them to believe, as of the date of the Preliminary Official Statement and as of the date of this Bond Purchase Agreement, that the information under the heading "ABSENCE OF MATERIAL LITIGATION" (as it relates to the Authority) in the Preliminary Official Statement contained any untrue statement of a material fact or omitted 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 (b) no facts had come to such counsel's attention which caused them to believe that that the information under the heading "ABSENCE OF MATERIAL LITIGATION" (as it relates to the Authority) in the Official Statement, as of its date, contained, or as of the Closing Date, contains any untrue statement of a material fact or, as of its date, omitted, or as of the Closing Date, omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(viii) the opinion of the City Attorney, dated the Closing Date and addressed to the Authority and the Underwriters, substantially to the effect that: (A) the City is a municipal corporation of the State, duly organized and existing under its charter and the laws of the State; (B) the City Resolution was duly adopted at meetings of the City Council that were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed; (C) except as disclosed in the Preliminary Official Statement and the Official Statement, no action, suit, proceeding, or investigation at law or in equity before or by any court, public board or body is pending in which service of process has been completed, or to our knowledge is threatened against or affecting the City: (a) to restrain or enjoin the execution, delivery or sale of the Series 2024 Bonds; or (b) the payment or collection of revenues of the City from which the City will pay amounts due under the 2024 Installment Purchase Contract, or

the pledge thereof; or (c) in any way contesting or materially affecting the validity or enforceability of the Series 2024 Bonds or the City's Legal Documents; or (d) in any way contesting or affecting the existence of the City or the title of any executive officer of the City to such executive officer's office; or (e) contesting the power of the City or its authority with respect to the City's Legal Documents; or (f) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements made therein, in the light of the circumstances in which they were made, not misleading; (D) the execution and delivery of the City's Legal Documents, the adoption of the City Resolution and compliance by the City with the provisions of the foregoing under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a violation or breach of, or constitute a default under, (a) any agreement or other instrument to which the City is a party or by which it is bound and with respect to such conflict, violation, breach or default would materially adversely affect the ability of the City to pay Installment Payments under the 2024 Installment Purchase Contract, or (b) any existing law, regulation, court order or consent decree to which the City is subject and that we have, in the exercise of customary professional diligence, recognized as applicable to the City and the transactions contemplated by the City's Legal Documents. (E) the City has the necessary power and authority to execute and deliver the City's Legal Documents; (F) the City's Legal Documents have been duly authorized, executed and delivered by the City, and assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the limitations on legal remedies against public agencies in the State of California and the application of equitable principles if equitable remedies are sought; (G) no authorization, approval, consent or other order of the United States of America, the State of California, or other governmental authority or agency within the State of California having jurisdiction over the City is required for the valid execution, delivery or performance by the City of the City's Legal Documents or for the adoption of the City Resolution which has not been obtained, except for such actions as may be necessary to be taken to qualify the Series 2024 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of any state or jurisdiction of the United States of America, as to which no opinion is expressed; and (H) while we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements, we advise you as a matter of fact and not opinion that (a) no facts had come to our attention which caused us to believe, as of the date of the Preliminary Official Statement and as of the date of this Bond Purchase Agreement, that the information under the heading "ABSENCE OF MATERIAL LITIGATION" (as it relates to the City) in the Preliminary Official Statement contained any untrue statement of a material fact or omitted 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 (b) no facts had come to our attention which caused us to believe that that the information under the heading "ABSENCE OF MATERIAL LITIGATION" (as it relates to the City) in the Official Statement, as of its date, contained, or as of the date hereof, contains any untrue statement of a material fact or, as of its date, omitted, or as of the date hereof, omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ix) a certificate of a duly authorized official of the Authority, dated the Closing Date, in form and substance reasonably satisfactory to the Representative, to the effect that (A) the Authority's representations and warranties contained in the Legal Documents are true and correct on and as of the

Closing Date with the same effect as if made on the Closing Date; (B) there is no misstatement of any material fact under the headings “THE AUTHORITY” and “ABSENCE OF MATERIAL LITIGATION” (as it relates to the Authority) in the Final Official Statement and such statements or information in the Final Official Statement do not omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading; and (C) the Authority has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied pursuant to the Legal Documents to which it is a party at or prior to the time of Closing;

(x) a certificate of a duly authorized official of the City, dated the Closing Date, in form and substance reasonably satisfactory to the Representative, to the effect that (A) the City’s representations and warranties contained in the City’s Legal Documents are true and correct on and as of the Closing Date with the same effect as if made on the Closing Date; (B) the information in the Final Official Statement as of its date was, and as of the date hereof is, true and correct in all material respects, and as of its date, the information in the Final Official Statement contained, and as of the date hereof, contains no misstatement of any material fact and as of its date did not, and as of the date hereof does not, omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading (excluding therefrom any information concerning the Insurer, the Policy, the Reserve Policy, DTC and its book-entry system, or with respect to any statements or omissions made in reliance upon and in conformity with information furnished to the City in writing by the Underwriters expressly for use in the Final Official Statement); and (C) the City has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied pursuant to the Bond Purchase Agreement and the City’s Legal Documents to which it is a party at or prior to the time of Closing;

(xi) a certificate of a duly authorized official of the Trustee, dated the Closing Date, to the effect that: (A) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States, having the full power and being qualified to enter into and perform its duties under the 2024 Indenture and to authenticate and deliver the Series 2024 Bonds to the Underwriters; (B) the Trustee is duly authorized to enter into the 2024 Indenture and to authenticate and deliver the Series 2024 Bonds to the Underwriters pursuant to the 2024 Indenture; (C) when delivered to and paid for by the Underwriters at the Closing, the Series 2024 Bonds will have been duly authenticated and delivered by the Trustee; (D) the execution and delivery of the 2024 Indenture and compliance with the provisions on the Trustee’s part contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), which conflict, breach or default would materially impair the ability of the Trustee to perform its obligations under the 2024 Indenture, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the 2024 Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the 2024 Indenture; and (E) to the best of the knowledge of the Trustee, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against the Trustee, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain, or enjoining the execution and delivery of the Series 2024 Bonds or the collection of revenues

to be applied to pay the principal, premium, if any, and interest with respect to the Series 2024 Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Series 2024 Bonds or the 2024 Indenture, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or funding would materially adversely affect the validity or enforceability of the Series 2024 Bonds or the 2024 Indenture or the power and authority of the Trustee to enter into and perform its duties under the 2024 Indenture and to authenticate and deliver the Series 2024 Bonds to or upon the order of the Underwriters;

(xii) the opinion, dated the Closing Date and addressed to the Underwriters, the Authority and the City, of Counsel to the Trustee, to the effect that: (A) the Trustee has been duly incorporated as a national banking association under the laws of the United States and is in good standing under the laws of the United States, and is qualified to exercise trust powers therein, having full power and authority to enter into and to perform its duties under the 2024 Indenture; (B) the Trustee has duly authorized, executed and delivered the 2024 Indenture, and by all proper corporate action has authorized the acceptance of the trusts of the 2024 Indenture; (C) the 2024 Indenture constitutes the legally valid and binding agreement of the Trustee, enforceable against the Trustee in accordance with its terms, and (D) the Series 2024 Bonds have been validly authenticated and delivered by the Trustee;

(xiii) one certified copy of the general resolution of the Trustee authorizing the execution and delivery of the 2024 Indenture;

(xiv) one certified copy of the Authority Resolution;

(xv) one certified copy of the City Resolution;

(xvi) a Tax Certificate of the Authority and the City in form and substance reasonably acceptable to Bond Counsel;

(xvii) evidence that the federal tax information form 8038-G has been prepared for filing;

(xviii) a copy of the Notice of Proposed Sale and Report of Final Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855(g) of the California Government Code;

(xix) evidence that the Bonds have been rated as set forth in the Official Statement and that such ratings continue in effect as of the Closing;

(xx) a certified copy of the joint exercise of powers agreement pursuant to which the Authority was created;

(xxi) a copy of the Notice of Joint Exercise of Powers Agreement from the Secretary of State certifying that the joint exercise of powers agreement pursuant to which the Authority was created was duly filed;

(xxii) a copy of the Blanket Letter of Representations to DTC, properly executed by all parties thereto; and

(xxiii) [the Policy, duly executed by the Insurer;]

(xxiv) [the Reserve Policy, duly executed by the Insurer;]

(xxv) [an opinion of counsel to the Insurer, dated the Closing Date, addressed to the Authority, City and the Underwriter, in form and substance satisfactory to the Underwriter and Bond Counsel;]

(xxvi) [a certificate or certificates of the Insurer, dated the Closing Date, as to the accuracy of the information relating to the Insurer, the Policy and the Reserve Policy included in the Official Statement and such other matters reasonably requested by the Underwriter and Bond Counsel;]

(xxvii) such additional legal opinions, certificates, instruments or evidences thereof and other documents as the Counsel to the Underwriters or Bond Counsel may reasonably request to evidence the due authorization, execution and delivery of the Series 2024 Bonds and the conformity of the Series 2024 Bonds and the Legal Documents with the terms of the Series 2024 Bonds and the descriptions thereof in the Final Official Statement.

(d) the Underwriters shall have the right to terminate this Bond Purchase Agreement, without liability therefor, by written notification to the Authority and the City if at any time at or prior to the Closing:

(i) any event shall occur or facts are discovered which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary in order to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading, provided, however, the Underwriters shall not terminate this Bond Purchase Agreement if prior to the Closing and prior to the distribution of the Official Statement to any public investor the City and the Underwriters agree to and shall have amended or supplemented the Official Statement so that the Official Statement as so amended or supplemented will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the light of the circumstances in which they were made, not misleading, and, in the sole judgment of the Underwriters, such amendment or supplement would not have a material adverse effect on the marketability or market price of the Series 2024 Bonds on the terms and conditions contemplated by this Bond Purchase Agreement or the ability of the Underwriters to enforce contracts with investors for the sale of the Series 2024 Bonds (collectively, an “**Adverse Effect**”); or

(ii) any of an amendment to the Constitution of the United States or any legislation in or by the Congress of the United States or the State, or the amendment of legislation pending as of the date of this Bond Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority, which in any case has a materially adverse effect on the federal or State tax status of the City or the Authority, or the interest on bonds or notes or obligations of the general

character of the Series 2024 Bonds, shall have occurred and would, in the reasonable opinion of the Representative, have an Adverse Effect; or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Representative, would have an Adverse Effect; or

(iv) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter of the Series 2024 Bonds shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Series 2024 Bonds, or the issuance, offering or sale of the Series 2024 Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Series 2024 Bonds, or the Series 2024 Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the 2024 Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) there shall have occurred any outbreak or escalation of hostilities or terrorist activities or other local, national or international calamity or crisis, a downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default on United States Treasury obligations, or a default with respect to the debt obligations of, or the institution of proceedings under the federal bankruptcy laws by or against, any state of the United States or agency thereof, or any city in the United States having a population of over one million, in any case the effect of which, in the Representative's reasonable judgment, would have an Adverse Effect; or

(vi) any rating of the Series 2024 Bonds or rating of other debt securities of the Authority that are payable from the City's Wastewater System and not based solely on credit enhancement shall have been downgraded, suspended or withdrawn by S&P or Fitch or any rating of the Series 2024 Bonds or such other debt securities of the Authority shall be placed on "credit watch," so long as such action was not the result of any sector-wide action or change in rating methodology undertaken by such rating agency, which, in the Representative's reasonable opinion, would have an Adverse Effect; or

(vii) the commencement of any action, suit or proceeding described in Section 6(o) hereof or in Section 7(c) hereto which, in the reasonable judgment of the Representative, would have an Adverse Effect; or

(viii) the declaration of a general banking moratorium by federal, New York or California authorities, the general suspension of trading on any national securities exchange or a material disruption in securities settlement, payment or clearance services, which event, in the reasonable judgment of the Representative, would have an Adverse Effect; or

(ix) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to obligations of the general character of the Series 2024 Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to net

capital requirements of, the Underwriters, which, in the reasonable judgment of the Representative, would have an Adverse Effect; or

(x) [any rating of the Series 2024 Bonds or other obligations of the Insurer by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch; or]

(xi) there shall have been any materially adverse change in the affairs of the Authority or the City which (A) requires an amendment to the Official Statement under Section 11(a) or (b) hereof and (B) in the Representative's reasonable judgment would have an Adverse Effect.

If the City or the Authority shall be unable to satisfy the conditions contained in this Bond Purchase Agreement, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriters, the City nor the Authority shall be under further obligation hereunder, except as further set forth in Section 10 hereof.

10. Expenses

The Underwriters shall be under no obligation to pay, and the Authority and the City shall pay or cause to be paid, the expenses incident to the performance of the obligations of the Authority and the City hereunder including but not limited to (a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the Legal Documents and the City's Legal Documents and the cost of preparing, printing, issuing and delivering the definitive Series 2024 Bonds, (b) the fees and disbursements of any counsel, financial advisors, accountants, verification agents or other experts or consultants retained by the Authority or the City, (c) the fees and disbursements of Bond Counsel, (d) the fees and disbursements of Disclosure Counsel, (e) the fees and disbursements of the Trustee, (f) the cost of preparation (including preparation in electronic form), and printing and distribution of the Preliminary Official Statement and any supplements and amendments thereto and the cost of preparation (including preparation in electronic form), printing and distribution of the Official Statement and any supplements and amendments thereto, including the requisite number of copies thereof for distribution by the Underwriters, (g) [the premiums with respect to the Policy and the Reserve Policy,] and (h) charges of rating agencies for the rating of the Series 2024 Bonds. The Authority, the City and the Underwriters intend that the Authority and the City will pay all expenses of the Authority and City's employees that are incidental to implementing this Bond Purchase Agreement, including, but not limited to, meals, transportation, and lodging, of those employees, and the Authority and the City shall reimburse the Underwriters if the Underwriters pay for any of such expenses on behalf of the Authority or City.

All out-of-pocket expenses of the Underwriters incident to the performance of the Underwriters' obligations hereunder, including the California Debt and Investment Advisory Commission fee, CUSIP services bureau charges, fees of Underwriters' counsel and other expenses (except as provided above), shall be paid by the Underwriters from the Underwriters' discount set forth in Section 1 hereof; provided, however, certain such expenses may be included in the expense component of the Underwriters' discount.

11. Covenants of Authority and City

The Authority and the City covenant with the Underwriters that:

(a) Until the earlier of (i) the date which is twenty-five (25) days after the Authority delivers the Series 2024 Bonds to the Representative, or (ii) the date the Underwriters do not retain, directly or as a member of an underwriting syndicate, any unsold balance of the Series 2024 Bonds for sale to the public (the “**End of the Underwriting Period**”), if any event shall occur of which the Authority or the City is aware, as a result of which it may be necessary to supplement the Official Statement in order to ensure the Official Statement will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make such information therein, in the light of the circumstances under which it was made, not misleading, the Authority shall forthwith notify the Representative of any such event of which it has knowledge and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary or desirable, in the Representative’s or Authority’s opinion, so that the statements therein as so supplemented will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make such information therein, in the light of the circumstances under which it was made, not misleading, and the Authority shall promptly furnish to the Underwriters electronic copies of such supplement; provided that unless the Representative delivers written notice to the Authority in accordance with this provision at or prior to the Closing Date specifying a date (if other than the Closing Date) to be deemed the “End of the Underwriting Period,” the Closing Date shall be the “End of the Underwriting Period.” If such notice is delivered, then and the Representative agrees to notify the Authority in writing of the date on which no Underwriter retains, directly or as a member of an underwriting syndicate, any unsold balance of the Series 2024 Bonds for sale to the public;

(b) If the information contained in the Final Official Statement is amended or supplemented pursuant to subparagraph (a) of this Section 11, at the time of such supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the End of the Underwriting Period, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein), excluding information concerning The Depository Trust Company and its book-entry system, CUSIP numbers, and any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Authority in writing by such Underwriter expressly for use in the Official Statement and any amendment or supplement thereto, will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make such information therein, in the light of the circumstances under which it was made, not misleading;

(c) The Authority will advise the Representative immediately of receipt by the Authority or the City of any notification with respect to the suspension of the qualification of the Series 2024 Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

(d) The Authority and the City will advise the Representative promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Representative, which consent will not be unreasonably withheld. The Authority and the City will advise the Representative promptly of the institution of any proceedings known to it by any court, governmental agency, public board or body, prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Series 2024 Bonds.

(e) The Authority and the City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request to qualify the Series 2024 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may

designate; provided, however, that the Authority and the City shall not be required to register as a dealer or broker or foreign corporation in any such state or jurisdiction or consent to service of process therein;

(f) Between the date of this Bond Purchase Agreement and the Closing Date, except as disclosed in the Final Official Statement, the Authority and/or the City will not, without prior written notice to the Representative, offer or issue any bonds, certificates, notes or other obligations for borrowed money secured by the Net System Revenues; and

(g) The Authority and the City will perform all actions as may be requested by the Underwriters (including delivery of an appropriate certificate with respect to the Preliminary Official Statement) in order for the Underwriters to comply with the applicable provisions of the Rule.

12. Notices

Any notice or other communication to be given to the Authority or the City under this Bond Purchase Agreement may be given by delivering the same in writing at the Authority's and the City's addresses, respectively, set forth above and any such notice or other communication to be given to the Representative or the Underwriters shall be delivered to the following address:

Hilltop Securities Inc.
777 S. Hwy 101, Suite 104
Solana Beach, CA 92075
Attention: Public Finance Department

13. Parties in Interest

This Bond Purchase Agreement is made solely for the benefit of the Authority, the City and the Underwriters and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations and warranties of the parties hereto contained in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriters, the City or the Authority until the earlier of (a) delivery of and payment for the Series 2024 Bonds hereunder, and (b) any termination of this Bond Purchase Agreement.

14. Counterparts

This Bond Purchase Agreement may be executed in any number of counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

15. Effectiveness

This Bond Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the duly authorized officers of the Authority and the City and shall be valid and enforceable as of the time of such acceptance.

16. Choice of Law

The validity, interpretation and performance of this Bond Purchase Agreement shall be governed by the laws of the State of California, without regard to conflicts of law.

17. **Severability**

In the event any provision of this Bond Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

18. **Entire Agreement**

The Bond Purchase Agreement, when accepted by the Authority and the City in writing as heretofore specified, shall constitute the entire agreement among the Authority, the City and the Underwriters.

19. **Headings**

The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be part hereof.

20. **No Assignment**

The rights and obligations created by this Bond Purchase Agreement shall not be subject to assignment by the Underwriters, the City or the Authority without the prior written consent of the other parties hereto.

[REMAINDER OF PAGE LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Bond Purchase Agreement, effective as of the day and year first above written.

**HILLTOP SECURITIES INC. for itself and as
Representative of:
OPPENHEIMER & CO. INC.**

By: _____
Authorized Officer

The foregoing is hereby agreed to and
accepted as of the date first above written:

**STOCKTON PUBLIC FINANCING
AUTHORITY**

By: _____
Authorized Officer

CITY OF STOCKTON

By: _____
Authorized Officer

Time of Execution: _____ p.m.
California time

[SIGNATURE PAGE TO BOND PURCHASE AGREEMENT]

SCHEDULE I

\$ _____
STOCKTON PUBLIC FINANCING AUTHORITY
WASTEWATER REVENUE REFUNDING BONDS, SERIES 2024
(WASTEWATER REFUNDING PROJECT)

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Satisfied*</i>	<i>10% Test Not Satisfied</i>	<i>Subject to Hold-the- Offering Price Rule</i>
2025							
2026							
2027							
2028							
2029							

* At the time of execution of this Bond Purchase Agreement and assuming orders are confirmed by the close of the business day immediately following the date of this Bond Purchase Agreement.

EXHIBIT A

FORM OF CERTIFICATE OF REPRESENTATIVE

\$ _____
STOCKTON PUBLIC FINANCING AUTHORITY
WASTEWATER REVENUE REFUNDING BONDS, SERIES 2024
(WASTEWATER REFUNDING PROJECT)

Hilltop Securities Inc. (“Hilltop”), on behalf of itself and as representative of Oppenheimer & Co. Inc., in connection with the sale and issuance by the Stockton Public Financing Authority (the “Issuer”) of its \$ _____ Wastewater Revenue Refunding Bonds, Series 2024 (Wastewater Refunding Project) (the “Bonds”), being issued on the date hereof, hereby certifies and represents the following:

A. Issue Price.

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the [Bonds][General Rule Maturities], the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

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

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

(b) As set forth in the Bond Purchase Agreement between the Issuer and Hilltop, dated _____, 2024, Hilltop has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

For purposes of this certificate the following definitions apply:

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

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

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

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

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

(e) *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.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2024.

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

(h) *Related Party* means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50 percent 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 percent common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50 percent 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).

B. Bond Yield.

Using industry standard software, we have calculated the yield on the Bonds to be _____%.

C. Weighted Average Maturity.

Using industry standard software, we have calculated (i) the weighted average maturity of the Bonds to be _____; and (ii) the remaining weighted average maturity of the Prior Bonds to be _____.

D. [Insurance Policy and Surety Policy.

We believe that the present value of the sum of the premiums for a municipal bond insurance policy insuring the payment of the principal of and interest on the Bonds and a surety bond for the Reserve Fund with respect to the Bonds (collectively, the “Credit Enhancement”) paid to [NAME OF PROVIDER] is less than the present value of the aggregate amount of interest reasonably expected to be saved as a result of such Credit Enhancement (based on the yield on the Bonds determined with

regard to premium for such Credit Enhancement). We further believe that the premium for the Credit Enhancement does not exceed a reasonable charge for the transfer of credit risk and is comparable with other fees under current market conditions for similar credits. The Credit Enhancement was a vital factor in marketing the Bonds and permits the marketing of the Bonds at interest rates comparable to other bond issues of a similar type and purpose.]

We understand that the representations contained herein may be relied upon by the Issuer and the City of Stockton in making certain of the representations contained in the Tax Certificate, and we further understand that Hawkins Delafield & Wood LLP, as bond counsel, may rely upon this certificate, among other things, in providing an opinion with respect to the exclusion from gross income of interest on the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). The undersigned is certifying only as to facts in existence on the date hereof. Nothing herein represents the undersigned’s interpretation of any laws; in particular the regulations under the Code, or the application of any laws to these facts. The undersigned is authorized to execute this certificate on behalf of Hilltop, which certifications are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

Dated: _____, 2024

HILLTOP SECURITIES INC.

By: _____
 Name: _____
 Title: _____

SCHEDULE A**SALE PRICES OF THE GENERAL RULE MATURITIES [AND INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES]**General Rule Maturities

Maturity Date (<u> </u>)	<u>Principal Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %	<u>Price</u>
----------------------------------------------	--------------------------------------	----------------------------------	--------------------------	---------------------

[Hold-the-Offering-Price Maturities]

Maturity Date (<u> </u>)	<u>Principal Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %	<u>Price</u>
----------------------------------------------	--------------------------------------	----------------------------------	--------------------------	---------------------

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

[SEE ATTACHED]