

BOND PURCHASE CONTRACT

\$ _____

City of Santa Clara, California Electric Revenue Refunding Bonds, Series 2018 A

_____, 2018

City of Santa Clara
1500 Warburton Avenue
Santa Clara, California 95050

Ladies and Gentlemen:

The undersigned, Goldman, Sachs & Co. (the “**Underwriter**”), offers to enter into this Bond Purchase Contract (this “**Bond Purchase Contract**”) with the City of Santa Clara, California (the “**City**”), which, upon acceptance of this offer by the City, will be binding upon the City and the Underwriter. This offer is made subject to the written acceptance hereof by the City on or before 5:00 p.m., California Time, on _____, 2018 and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice given to the City at any time prior to the acceptance hereof by the City. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Official Statement or the Indenture, each as hereinafter defined.

1. **Purchase and Sale of the Series 2018 A Bonds.** Upon the terms and conditions and upon the basis of the representations and agreements set forth herein, the Underwriter (acting as principal and independent contractors and not as an advisor, agent or fiduciary) hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of its \$_____ aggregate principal amount of City of Santa Clara, California Electric Revenue Refunding Bonds, Series 2018 A (the “**Series 2018 A Bonds**”).

The Underwriter agrees to purchase the Series 2018 A Bonds at the aggregate purchase price of \$_____ (representing the principal amount of the Series 2018 A Bonds of \$_____, plus a net original issue premium of \$_____, less an Underwriter’s discount of \$_____) (the “**Purchase Price**”). The Series 2018 A Bonds will be dated their date of delivery, shall bear interest payable on January 1, 2019 and thereafter semiannually each July 1 and January 1 at the rates and shall mature on July 1 in each year and in the amounts and shall be subject to redemption, in each case, as set forth in Exhibit A attached hereto.

It shall be a condition to the City’s obligations to execute and deliver the Series 2018 A Bonds to the Underwriter and to the Underwriter’s obligation to purchase, to accept delivery of and to pay for the Series 2018 A Bonds that the entire \$_____ aggregate principal amount of the Series 2018 A Bonds shall be so executed and delivered by the City and purchased, accepted and paid for by the Underwriter at the Closing (as hereinafter defined).

The City acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm’s-length commercial transaction between the City and the Underwriter and that the Underwriter has financial and other interests that differ from those of the City; (ii) the Underwriter is not acting as a municipal advisor, financial advisor, or fiduciary to the City and have not assumed any advisory or fiduciary responsibility to the City with respect to

the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the City on other matters); (iii) the only obligations the Underwriter has to the City with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Contract; and (iv) the City has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

2. **The Series 2018 A Bonds.** The Series 2018 A Bonds will be issued pursuant to Section 1321 of the Charter of the City (the “**Charter**”); a number of resolutions adopted pursuant to the Charter; the Revenue Bond Law of 1941, to the extent incorporated by such procedural resolutions (collectively, the “**Bond Law**”); a resolution adopted by the City Council of the City (the “**City Council**”) on _____, 2018 (the “**Bond Resolution**”); and an Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011 (the “**Amended and Restated Indenture**”), by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”), as amended and supplemented, including as supplemented by a Third Supplemental Electric Revenue Bond Indenture, dated as of November 1, 2018 (the “**Third Supplement**” and together with the Amended and Restated Indenture, the “**Indenture**”), by and between the City and the Trustee. The Series 2018 A Bonds will be limited obligations of the City payable solely from and secured by a pledge of Adjusted Net Revenues, and the others funds to be pledged therefore under the Indenture. The terms and provisions of the Series 2018 A Bonds are set forth in the Indenture.

The net proceeds from the issuance of the Series 2018 A Bonds will be used, along with other available moneys of the City, to (a) refund the City’s outstanding Variable Rate Demand Electric Revenue Bonds, Series 2008 B (the “**Refunded Bonds**”); (ii) fund the costs of terminating an interest rate swap agreement relating to the Refunded Bonds, and (iii) pay costs of issuance of the Series 2018 A Bonds.

[[A portion of the net proceeds of the Series 2018 A Bonds, along with other available moneys of the City, will be deposited in an escrow fund and invested in accordance with the Escrow Agreement, to be dated as of November 1, 2018 (the “**Escrow Agreement**”), by and between the City and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”), and as trustee of the Refunded Bonds. The Arbitrage Group, Inc., will act as the verification agent in connection with the escrow fund established by the Escrow Agent with respect to the Refunded Bonds (the “**Verification Agent**”).]]

3. **Use and Preparation of Preliminary Official Statement and Official Statement; Continuing Disclosure.** The City has heretofore delivered to the Underwriter copies of the Preliminary Official Statement dated _____, 2018, relating to the Series 2018 A Bonds (together with the Appendices thereto, any documents incorporated therein by reference, and any supplements or amendments thereto, the “**Preliminary Official Statement**”), which the City has deemed final as of its date, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“**Rule 15c2-12**”). The City shall prepare and deliver to the Underwriter, as promptly as practicable, but in no event later than seven (7) business days from the date hereof and at least two (2) business days prior to the Closing Date (as hereinafter defined), whichever occurs first, a final official statement, with such changes and amendments as may be approved by the Underwriter (such official statement, including the cover page, the inside cover page and appendices thereto, is herein referred to as the “**Official Statement**”), in such quantities and/or electronic format as the Underwriter may reasonably request in order to comply with paragraph (b)(4) of Rule 15c2-12 and the rules of the Municipal

Securities Rulemaking Board (the “**MSRB**”). The City hereby ratifies, confirms and approves the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement and hereby authorizes the Underwriter to use and distribute the Official Statement, the Indenture, the Escrow Agreement and this Bond Purchase Contract in connection with the offer and sale of the Series 2018 A Bonds. The City hereby authorizes the Underwriter to file the Official Statement with the MSRB’s Electronic Municipal Market Access (**EMMA**) system. The Underwriter agrees to promptly file a copy of the final Official Statement, including any supplements prepared by the City, with the MSRB, through such EMMA system.

The City will undertake pursuant to a Continuing Disclosure Agreement, to be dated the date of issuance of the Series 2018 A Bonds (the “**Disclosure Agreement**”), to provide certain annual financial and operating information with respect to the Electric Utility and certain material event notices with respect to the Electric Utility. A description of this undertaking is set forth in the Official Statement.

4. Public Offering; Determination of Issue Price.

(a) The Underwriters agree to make a bona fide public offering to the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) of all of the Series 2018 A Bonds at the prices and yields set forth in Exhibit A hereto and on the inside front cover page of the Official Statement (as hereinafter defined). [Except as set forth below,] The Series 2018 A Bonds may be offered and sold to certain dealers and others at prices lower than such public offering prices and may affect transactions that stabilize or maintain the market price(s) of the Series 2018 A Bonds.

(b) The Underwriter agrees to assist the City in establishing the issue price of the Series 2018 A Bonds and shall execute and deliver to the City at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit D, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City 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 2018 A Bonds.

(c) [Except as otherwise set forth in Exhibit A attached hereto,] the City will treat the first price at which 10% of each maturity of the Series 2018 A Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the City the price or prices at which it has sold to the public each maturity of Series 2018 A Bonds. For purposes of this Section, if Series 2018 A Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2018 A Bonds.

(d) The Underwriter confirms that it has offered the Series 2018 A 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 Exhibit A attached hereto, except as otherwise set forth therein. Appendix A sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series B-2 Bonds for which the 10% test has been satisfied (the “10% Test Maturities”). Exhibit A also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2018 A Bonds for which the

10% test has not been satisfied and for which the City and the Underwriter agree that the restrictions set forth in the next sentence shall apply (the “Hold-the-Price Maturities”), which will allow the City 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 2018 A Bonds, the Underwriter will neither offer nor sell unsold Hold-the-Price Maturities of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Hold-the-Price Maturities to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the City promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Hold-the-Price Maturities to the public at a price that is no higher than the initial offering price to the public.

(e) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Series 2018 A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Series 2018 A Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2018 A Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2018 A 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 Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Series 2018 A 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 2018 A Bonds to the public (each such term being used as defined below), and

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

(ii) any selling group agreement relating to the initial sale of the Series 2018 A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2018 A 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 Series 2018 A Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2018 A Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Series 2018 A 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 Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(f) The City acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2018 A 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 2018 A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2018 A Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Series 2018 A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2018 A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2018 A Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2018 A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2018 A Bonds.

(g) The Underwriter acknowledges that sales of any Series 2018 A Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2018 A 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” (with a lower case “u”) means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2018 A 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 2018 A 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 2018 A Bonds to the public),

(iii) a purchaser of any of the Series 2018 A 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.

5. **Representations and Agreements of the City.** The City hereby represents and agrees as follows:

(a) The City is a charter city of the State of California (the “**State**”) authorized to issue electric revenue bonds pursuant to Section 1321 of its Charter.

(b) The City has full legal right, power and authority to enter into this Bond Purchase Contract, the Indenture, the Escrow Agreement and the Disclosure Agreement, to adopt the Bond Resolution and to observe, perform and consummate the covenants, agreements and transactions contemplated by this Bond Purchase Contract, the Indenture, the Escrow Agreement, the Disclosure Agreement and the Official Statement and to issue, sell and deliver the Series 2018 A Bonds to the Underwriter as provided herein; by all necessary official action of the City prior to or concurrently with the acceptance hereof, the City Council has duly adopted the Bond Resolution and the Bond Resolution is in full force and effect and has not been amended, modified or rescinded; the City has duly authorized and approved the execution and delivery of, and the performance by the City of its obligations contained in the Series 2018 A Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement and this Bond Purchase Contract and the consummation by it of all other transactions contemplated by this Bond Purchase Contract to have been performed or consummated at or prior to the Closing Date (as hereinafter defined); the City has duly approved the Preliminary Official Statement and the delivery thereof and the preparation, execution and delivery of the Official Statement; and the City is in compliance in all respects with the terms of the Charter, the laws of the State and the United States and will be in compliance on the date of Closing in all material respects with its obligations in connection with the issuance of the Series 2018 A Bonds on its part contained in the Series 2018 A Bonds, the Bond Resolution, the Indenture, the Escrow Agreement, the Disclosure Agreement and this Bond Purchase Contract.

(c) The Series 2018 A Bonds, the Indenture, the Escrow Agreement and the Disclosure Agreement conform in all material respects to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement.

(d) Between the date of this Bond Purchase Contract and the date of the Closing, except as referred to in the Official Statement, the City will not without the prior written consent of the Underwriter (which consent shall not be unreasonably withheld), with respect to the Electric Utility, incur any material liabilities, direct or contingent, or enter into any material transaction, in either case other than in the ordinary course of business, and, except as contemplated by the Official Statement, there shall not have been any material adverse change in the condition, financial or physical, of the Electric Utility that would have a material adverse affect on the ability of the City to pay the principal of and interest on the Series 2018 A Bonds.

(e) The City is not in violation of, or in breach of or in default under, any applicable constitutional provision, law or administrative regulation of the State, the United States of America or the Charter or any applicable court order, judgment or decree or any loan agreement, indenture, bond, note, resolution, or other agreement or instrument to which the City is a party or to which the City is otherwise bound, 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, in any such case to the extent such violation or breach would have a material adverse effect on the ability of the City to repay the Series 2018 A Bonds or on the security therefor; and the execution and delivery of this Bond Purchase Contract, the Indenture, the Escrow Agreement, the Disclosure Agreement and the Series 2018 A Bonds, the adoption of the Bond Resolution, and compliance with the provisions of this Bond Purchase Contract, the Indenture, the Escrow Agreement, the Disclosure Agreement, the Bond Resolution and the Series 2018 A Bonds, do not conflict with or constitute a breach of or default under any California constitutional provision, law, administrative regulation, court order, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the City is a party, or by which the City is bound, nor does 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 the Electric Utility under the terms of any such law, regulation or instrument, except as provided by the Series 2018 A Bonds or except to the extent that such conflict, breach or default or the creation or imposition of such lien or charge, would not have a material adverse effect on the security for the Series 2018 A Bonds.

(f) Except as otherwise set forth in the Official Statement or otherwise disclosed in writing by the City to the Underwriter on or prior to the date hereof, there is no action, suit, proceeding, hearing, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of the City's knowledge, threatened against the City (i) in any respect questioning the existence of the City or the titles of the officers of the City to their respective offices in which an adverse decision would affect the validity of the Bond Resolution or its approval of this Bond Purchase Contract, the Indenture, the Escrow Agreement, the Disclosure Agreement, the Preliminary Official Statement, the Official Statement or the Series 2018 A Bonds; (ii) in any way contesting, affecting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Series 2018 A Bonds, or the collection of revenues pledged to pay the principal of and interest on the Series 2018 A Bonds, or the pledge of such revenues, or the application of the proceeds of the Series 2018 A Bonds for the purposes described in the Preliminary Official Statement and the Official Statement; (iii) in any way contesting or affecting the validity or enforceability of the Series 2018 A Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement or this Bond Purchase Contract, or contesting the power or authority of the City to issue the Series 2018 A Bonds, the adoption of the Bond Resolution, or the execution and delivery by the City of, the Indenture, the Escrow Agreement, this Bond Purchase Contract or the Disclosure Agreement, or contesting the tax-exempt status of interest due on the Series 2018 A Bonds; (iv) which could reasonably be expected to result in any material adverse change in the ability of the City to pay the principal of and interest on the Series 2018 A Bonds; or (v) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement 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.

(g) The City will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriter as the Underwriter may request (i) to qualify the Series 2018 A 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 Underwriter may designate and (ii) to determine the eligibility of the Series 2018 A Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Series 2018 A Bonds; provided, however, that the City shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(h) The Series 2018 A Bonds, when issued and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be the legal, valid and binding limited obligations of the City, enforceable in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles whether or not sought, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against cities in the State, and (subject to the immediately preceding limitations) the owners of the Series 2018 A Bonds will be entitled to the benefits of the Indenture; upon such issuance and delivery the Indenture will provide, for the benefit of the owners from time to time of the Series 2018 A Bonds, a legally valid and binding pledge of and lien on the Adjusted Net Revenues and the funds and accounts pledged to such Series 2018 A Bonds under the Indenture.

(i) When executed, this Bond Purchase Contract, the Indenture, the Escrow Agreement and the Disclosure Agreement will comply with the requirements of the Bond Law and (assuming due authorization, execution and delivery by the other parties thereto, if applicable) will constitute the valid and legally binding obligations of the City, enforceable in accordance with their terms, except as such enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles whether or not sought, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against cities in the State.

(j) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the City of its obligations in connection with the execution, sale and delivery of the Series 2018 A Bonds under this Bond Purchase Contract have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2018 A Bonds; and, except as disclosed in the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission, having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the City of its respective obligations under the Indenture, the Escrow Agreement, the Disclosure Agreement or this Bond Purchase Contract, have been duly obtained.

(k) As of the date thereof and the date hereof, the Preliminary Official Statement (other than information allowed to be omitted by Rule 15c2-12) did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information relating to The Depository Trust Company (“DTC”) and its book-entry system, the initial offering prices and/or yields on the Series 2018 A Bonds as provided by the Underwriter and the information contained under the caption “UNDERWRITING,” as to all of which no representations or warranties are made).

(l) At the time of the City’s acceptance hereof and (unless an event occurs of the nature described in clause (n) below) at all times during the period from the date of this Bond Purchase Contract to and including the Closing Date, the Official Statement (excluding therefrom the information relating to DTC and its book-entry system, the initial offering prices and/or yields on the Series 2018 A Bonds as provided by the Underwriter and the information contained under the caption “UNDERWRITING,” as to all of which no representations or warranties are made) does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(m) If the Official Statement is supplemented or amended pursuant to clause (n) below, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times during the period from the date of this Bond Purchase Contract to and including the Closing Date, the Official Statement, as so supplemented or amended, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information relating to DTC and its book-entry system, the initial offering prices and/or yields on the Series 2018 A Bonds as provided by the Underwriter and the information contained under the caption “UNDERWRITING,” as to all of which no representations or warranties are made).

(n) If during the period from the date of this Bond Purchase Contract to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Series 2018 A Bonds (as determined in accordance with paragraph 13 hereof), any event shall occur or be discovered which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter of any such event of which it has knowledge and, if in the opinion of the City, the Underwriter and their respective counsels such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will prepare and furnish to the Underwriter (i) a reasonable number of copies of the supplement or amendment to the Official Statement in form and substance acceptable to the Underwriter and (ii) if such notification shall be subsequent to the date of Closing, such legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement; provided, however, that if during such period (x) an event as described above in this clause (o) shall have occurred which in the opinion of the Underwriter requires the preparation and distribution of a supplement or amendment to the Official Statement and (y) the City shall have prepared and distributed to the

public a preliminary official statement or final official statement relating to obligations of the City secured by the Adjusted Net Revenues which are to be issued subsequent to the issuance of the Series 2018 A Bonds, then, if the City and the Underwriter, upon advice of their respective counsel, mutually agree that such preliminary official statement or final official statement, together with any additional information which may be necessary, can reasonably be used by the Underwriter to satisfy the obligation of the Underwriter under Rule 15c2-12 to provide to potential customers an accurate and complete official statement relating to the Series 2018 A Bonds, the City may deliver to the Underwriter a reasonable number of copies of such preliminary official statement or final official statement and such additional information in lieu of preparing and furnishing to the Underwriter the supplement or amendment to the Official Statement referred to in (i) above, and any such preliminary or final official statement and such additional information so delivered shall constitute an amendment or supplement to the Official Statement for purposes of this Bond Purchase Contract.

(o) Any certificate signed by any official or other representative of the City and delivered to the Underwriter shall be deemed a representation by the City to the Underwriter as to the truth of the statements therein made.

(p) The financial statements of, and other financial information regarding, the Electric Utility contained in the Preliminary Official Statement and the Official Statement fairly present the financial position and results of the operations of the Electric Utility as of the dates and for the periods therein set forth, and, to the best of the City's knowledge, the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied.

(q) The City shall not knowingly take or omit to take any action, which action or omission would cause the interest on the Series 2018 A Bonds to be includable in gross income for federal income tax purposes.

(r) The proceeds received from the sale of the Series 2018 A Bonds shall be used in accordance with the Indenture and as set forth in the Official Statement.

(s) Except as otherwise discussed in the Official Statement, the City has not failed during the last five (5) years to comply in all material respects with any continuing disclosure undertakings with regard to Rule 15c2-12 to provide annual reports or notices of material events specified in such rule.

6. **Closing.** At 9:00 a.m., California time, on _____, 2018 or at such other time as shall have been mutually agreed upon by the City and the Underwriter (the "**Closing Date**"), the City will deliver or cause to be delivered to the Underwriter, under the Fast Automated Securities Transfer System of DTC), the Series 2018 A Bonds, in the form of a separate single fully registered bond for each maturity date of the Series 2018 A Bonds duly executed by the City and authenticated by the Trustee, together with the other documents hereinafter mentioned. The Underwriter will accept such delivery and pay the Purchase Price of the Series 2018 A Bonds as set forth in paragraph 1 hereof by wire transfer in immediately available funds on the Closing Date. The Series 2018 A Bonds shall be made available to the Trustee not later than one business day before the Closing Date. Upon initial issuance, the ownership of such Series 2018 A Bonds shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as the nominee of DTC.

Payment for the Series 2018 A Bonds, together with delivery of the documents hereinafter mentioned shall be coordinated at the offices of the Norton Rose Fulbright US LLP, Los Angeles, California, or at such other place as shall have been mutually agreed upon by the City and the Underwriter. Such payment and delivery is herein called the “**Closing**.” The Underwriter shall order CUSIP identification numbers and the City shall cause such CUSIP identification numbers to be printed on the Series 2018 A Bonds, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Series 2018 A Bonds on the Closing Date in accordance with the terms of this Bond Purchase Contract.

7. **Closing Conditions.** The Underwriter has entered into this Bond Purchase Contract in reliance upon the representations of the City contained herein and the performance by the City of its obligations hereunder both as of the date hereof and as of the date of Closing. The Underwriter’s obligations under this Bond Purchase Contract shall be conditioned upon the performance by the City of its obligations to be performed hereunder and under the other documents and instruments delivered in connection with the execution and delivery of the Series 2018 A Bonds and shall also be subject to the following further conditions:

(a) The representations of the City contained herein shall be true, complete and correct in all material respects on the date hereof and on the Closing Date as if made on the Closing Date;

(b) At the time of the Closing (i) the Bond Resolution, the Indenture, the Escrow Agreement and the Disclosure Agreement shall be in full force and effect as valid and binding agreements, as applicable, between the parties thereto and the Official Statement shall have been duly authorized, executed and delivered, in substantially the form heretofore submitted to the Underwriter, and the Indenture, the Escrow Agreement, the Disclosure Agreement, the Bond Resolution and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter (subject to the provisions of this Bond Purchase Contract), and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby; (ii) the City shall perform or have performed its obligations required under or specified in this Bond Purchase Contract, the Bond Resolution, the Indenture, the Escrow Agreement and the Disclosure Agreement to be performed at or prior to the Closing; and (iii) there shall have been no material adverse change in the financial or physical condition of the Electric Utility that would have a material adverse affect on the City’s ability to pay the principal of and interest on the Series 2018 A Bonds.

(c) At or prior to the Closing, the Underwriter shall receive the following documents, in each case reasonably satisfactory in form and substance to the Underwriter and to counsel to the Underwriter, Stradling Yocca Carlson & Rauth, a Professional Corporation (“**Underwriter’s Counsel**”):

(i) the unqualified approving opinion of Norton Rose Fulbright US LLP (“**Bond Counsel**”), dated the Closing Date, addressed to the City, substantially in the form set forth as Appendix E to the Official Statement, together with a letter to the Underwriter stating that the Underwriter may rely on the same;

(ii) a supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriter, substantially in the form set forth as Exhibit B hereto;

(iii) an opinion of the City Attorney, dated the Closing Date, addressed to the Underwriter, substantially in the form set forth as Exhibit C hereto;

(iv) an opinion of counsel to the Trustee/Escrow Agent, dated the Closing Date, addressed to the City and the Underwriter, to the effect that: (A) the Trustee/Escrow Agent is a national banking association organized and existing under the laws of the United States of America, having full power and being qualified to enter, accept and administer the trust created under the Indenture and the Escrow Agreement, to enter into the Disclosure Agreement and to authenticate and deliver the Series 2018 A Bonds; (B) the Indenture, the Escrow Agreement and the Disclosure Agreement have been duly authorized, executed and delivered by the Trustee/Escrow Agent, as applicable, and, assuming due authorization, execution and delivery thereof by the City, constitute the legal, valid and binding obligations of the Trustee/Escrow Agent, as applicable, enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought; (C) the Series 2018 A Bonds have been duly authenticated by the Trustee in accordance with the Indenture; and (D) no authorization, approval, consent or order of any governmental agency or any other person is required for the valid authorization, execution and delivery of the Indenture, the Escrow Agreement or the Disclosure Agreement by the Trustee/Escrow Agent, as applicable, or the authentication of the Series 2018 A Bonds by the Trustee;

(v) an opinion of Underwriter's Counsel, dated the Closing Date and addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(vi) a certificate, dated the Closing Date, of the City, to the effect that, (A) the representations of the City in this Bond Purchase Contract are true and correct as of the Closing Date, as if made on the Closing Date; (B) the City has complied with all agreements and covenants and satisfied all conditions contemplated by this Bond Purchase Contract, the Bond Resolution, the Indenture and the Escrow Agreement on its part to be performed or satisfied at or prior to the Closing Date; and (C) the Official Statement (excluding therefrom the information relating to DTC and its book-entry system, the initial offering prices and/or yields on the Series 2018 A Bonds as provided by the Underwriter and the information contained under the caption "UNDERWRITING," as to all of which no representations or warranties are made) as of its date and as of the Closing Date did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vii) a certificate of the Trustee/Escrow Agent, dated the Closing Date, to the effect that: (A) the Trustee/Escrow Agent is duly organized and existing as a national banking association organized and existing under the laws of the United States of America, having the full power and authority to enter into, accept the trusts created under and perform its duties under the Indenture, the Escrow Agreement and the Disclosure Agreement and to authenticate the Series 2018 A Bonds; (B) the

Trustee/Escrow Agent is duly authorized to enter into the Indenture, the Escrow Agreement and the Disclosure Agreement, as applicable, and to authenticate and deliver the Series 2018 A Bonds to the Underwriter pursuant to the terms of the Indenture; (C) the execution and delivery by the Trustee/Escrow Agent of the Indenture, the Escrow Agreement and the Disclosure Agreement, as applicable, and compliance with the terms thereof, will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee/Escrow Agent is a party or by which it is bound, or, to its best knowledge, any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee/Escrow Agent or any of its activities or properties (except that no representation, warranty or agreement is made by the Trustee/Escrow Agent with respect to any federal or state securities or blue sky laws or regulations); (D) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to the best of the knowledge of the Trustee/Escrow Agent, threatened against or affecting the existence of the Trustee/Escrow Agent or in any way contesting or affecting the validity or enforceability of the Series 2018 A Bonds or the Indenture, the Escrow Agreement or the Disclosure Agreement or contesting the powers of the Trustee/Escrow Agent or its authority to enter into and perform its obligations under any of the foregoing, or wherein an unfavorable decision, ruling or finding would adversely affect the Trustee/Escrow Agent or the transactions contemplated in connection with the issuance and sale of the Series 2018 A Bonds, or which, in any way, would adversely affect the validity of the Series 2018 A Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement or any agreement or instrument to which the Trustee/Escrow Agent is a party and which is used or contemplated for use in the Indenture, the Escrow Agreement or the Disclosure Agreement, or the consummation of the transactions contemplated in connection with the issuance and sale of the Series 2018 A Bonds; and (E) subject to the provisions of the Indenture and the Escrow Agreement, the Trustee/Escrow Agent will apply the proceeds from the Series 2018 A Bonds to the purposes specified in the Indenture and the Escrow Agreement;

(viii) the Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the City by the City Manager;

(ix) a copy of the Bond Resolution, certified by the City Clerk as having been duly adopted by the City Council and as being in effect as of the Closing Date, together with a certificate from the City Clerk stating that the Bond Resolution is in effect in the form existing on the date hereof and has not been amended, modified, supplemented or superseded except as shall have been agreed to by the Underwriter and has not been superseded;

(x) an executed copy of the Amended and Restated Indenture, the Third Supplement, the Second Supplement, the Escrow Agreement and the Disclosure Agreement;

(xi) an executed copy of the tax certificate of the City with respect to the Series 2018 A Bonds, and evidence of the preparation for filing of IRS Form 8038-G with respect to the Series 2018 A Bonds;

(xii) a DTC blanket letter of representation, executed by the City and accepted by DTC;

(xiii) a specimen copy of each maturity of the Series 2018 A Bonds;

(xiv) a report of the Verification Agent, dated as of the Closing Date, with respect to the escrow established by the Escrow Agreement, satisfactory to Bond Counsel and the Underwriter;

(xv) evidence satisfactory to the Underwriter that Standard & Poor's Rating Services ("**S&P**") and Fitch Ratings ("**Fitch**") have assigned ratings of "___" and "___," respectively, to the Series 2018 A Bonds;

(xvi) a copy of the Report of Proposed Debt Issuance and the Report of Final Sale required to be delivered to the California Debt and Investment Advisory Commission; and

(xvii) such additional legal opinions, certificates, instruments and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably deem necessary to evidence the due execution and delivery of the Series 2018 A Bonds, the truth and accuracy as of the time of the Closing of the City's representations and agreements contained in paragraph 5 hereof and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City pursuant to the Indenture and this Bond Purchase Contract.

The opinions and certificates and other material referred to above shall be in form and substance reasonably satisfactory to the undersigned.

8. **Termination.** The Underwriter shall have the right in its reasonable discretion to terminate its obligations under this Bond Purchase Contract to purchase the Series 2018 A Bonds, without liability therefore, by notifying the City in writing of their election to do so between the date hereof and the Closing Date, if any of the following events occur prior to the Closing:

(a) legislation shall have been enacted by the Congress of the United States, or introduced by amendment or otherwise in or passed by either House of the Congress, or recommended or endorsed to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress of the United States by any committee of such House to which such legislation has been referred for consideration, or recommended or endorsed for passage or presented for consideration by any member of any such committee or by the Treasury Department of the United States, the Internal Revenue Service, or the staff of the Joint Committee on Taxation of the Congress, or a decision shall have been rendered by a court of the United States, or the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement shall have been made by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency of appropriate jurisdiction, with respect to federal taxation of interest received on securities of the general character of the Series 2018 A Bonds or which would have the effect of changing, directly or indirectly, the federal tax consequences of receipt of interest on securities of the general character of the Series 2018 A Bonds in the hands of the

owners thereof, which in the reasonable opinion of the Underwriter would materially adversely affect the market price(s) (such price(s) being those set forth in the Official Statement) or the marketability of the Series 2018 A Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series 2018 A Bonds;

(b) the Constitution of the State shall be amended or an amendment shall qualify for the ballot, or legislation shall be enacted, or a decision shall have been rendered as to matters of State law, or any order, ruling or regulation shall have been issued or proposed by or on behalf of the State by an official, agency or department thereof, with the purpose or effect, directly or indirectly, of imposing California personal income taxation upon such interest as would be received by the Owners of the Series 2018 A Bonds, which in the reasonable opinion of the Underwriter would materially adversely affect the market price(s) (such price(s) being those set forth in the Official Statement) or the marketability of the Series 2018 A Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series 2018 A Bonds;

(c) legislation shall be enacted, or actively considered for enactment by the Congress, with an effective date on or prior to the date of Closing, or a decision by a court of the United States of America shall be rendered, or a ruling or regulation by the Securities and Exchange Commission (“SEC”) or other governmental agency having jurisdiction over the subject matter shall be made, the effect of which is that the Series 2018 A Bonds are not exempt from the registration, qualification or other requirements of the Securities Act, as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect;

(d) a stop order, ruling or regulation by the SEC shall be issued or made, the effect of which is that the issuance, offering or sale of the Series 2018 A Bonds, as contemplated herein or in the Official Statement, is in violation of any provision of the Securities Act, as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect;

(e) any event occurring or information becoming known that, in the reasonable judgment of the Underwriter, either (i) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or (ii) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect;

(f) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the reasonable judgment of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Series 2018 A Bonds as contemplated by the final Official Statement (exclusive of any amendment or supplement thereto);

(g) there shall have been any official statement from S&P or Fitch as to a possible downgrading (such as being placed on “credit watch” or “negative outlook” or any similar qualification) of the respective ratings of the Series 2018 A Bonds, which in the reasonable opinion of the Underwriter would materially adversely affect the market price(s) (such price(s) being those set forth in the Official Statement) or the marketability of the Series 2018 A Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series 2018 A Bonds;

(h) a banking moratorium shall have been declared either by Federal, New York or State authorities;

(i) there shall be in force a general suspension of trading on the New York Stock Exchange or other national securities exchange, or the New York Stock Exchange, other national securities exchange or any governmental authority shall impose, as to the Series 2018 A Bonds or obligations of the general character of the Series 2018 A Bonds, any material restrictions not in force or not being enforced, or a material increase of those now in force, with respect to the extension of credit by, or the charges to the net capital requirements of, the Underwriter as of the date hereof, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of any governmental authority having jurisdiction; or

(j) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2018 A Bonds or in any way contesting or affecting any authority for or the validity of the Series 2018 A Bonds, this Bond Purchase Contract, the Indenture, the Escrow Agreement or the Disclosure Agreement.

9. **Expenses.** (a) The Underwriter shall be under no obligation to pay and the City shall pay or cause to be paid the expenses incident to the performance of its obligations hereunder including but not limited to (i) the cost of the preparation, printing, or other reproduction (for distribution on or prior to the date hereof), and delivery of the Indenture; (ii) the fees and disbursements of Bond Counsel, Disclosure Counsel, Public Financial Management, Inc., financial advisor to the City, the Verification Agent, and the Trustee and the Escrow Agent, and any other experts or consultants retained by the City; (iii) the cost of preparation and printing and signing of the Series 2018 A Bonds and the registration of the Series 2018 A Bonds; (iv) the cost of preparation, printing and delivery of the Preliminary Official Statement and the Official Statement and any supplements or amendments thereto; (v) charges of rating agencies for the ratings of the Series 2018 A Bonds; and (vi) all other costs connected to issuance of the Series 2018 A Bonds except costs specifically described in clause (b) below. The City shall also pay all expenses (whether included in the expense component of the Underwriter's discount or not), or reimburse the Underwriter for the payment on behalf of the City of such expenses, as incurred on behalf of the City's officers and employees that are incidental to the implementation of this Bond Purchase Contract, including, but not limited to, meals, transportation, entertainment, travel, lodging and the usual and customary charges incident and ancillary to the carrying out of the act of the marketing and pricing of, and securing ratings for the Series 2018 A Bonds.

(b) The Underwriter shall pay (i) the cost of preparation and printing of the Blue Sky memorandum to be used by them and the cost, if any, of printing of this Bond Purchase Contract; (ii) all advertising expenses incurred by them in connection with the public offering of the Series 2018 A Bonds; (iii) the fees and disbursements of Underwriter's Counsel; and (iv) all other expenses incurred by them in connection with their public offering and distribution of the Series 2018 A Bonds.

10. **Notices.** Any notice or other communication to be given to the City under this Bond Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by giving the same orally (if permitted hereby) or in writing to City of Santa Clara, California, 1500 Warburton Avenue, Santa Clara, California, 95050 Attention: City Manager and Director of Electric Utility; and any notice or other communication to be given to the Underwriter under this Bond

Purchase Contract may be given by delivering the same in writing to the Underwriter at Goldman, Sachs & Co., 2121 Avenue of the Stars, Los Angeles, CA 90067, Attention: Chris Higgins.

11. **Governing Law.** The validity, interpretation and performance of this Bond Purchase Contract shall be governed by the laws of the State of California, without regard to its conflicts of laws principles.

12. **Parties in Interest.** This Bond Purchase Contract when executed by the City shall constitute the entire agreement between the City and the Underwriter and is made solely for the benefit of the City and the Underwriter (including the successors or assigns of the Underwriter but does not include any purchasers of the Series 2018 A Bonds from the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof. All of the representations and agreements of the City contained in this Bond Purchase Contract shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the Underwriter, (b) delivery of and payment for the Series 2018 A Bonds hereunder, and (c) any termination of this Bond Purchase Contract.

13. **Determination of End of the Underwriting Period.** For purposes of this Bond Purchase Contract, the End of the Underwriting Period shall mean the earlier of (a) the day of the Closing, unless the City has been notified in writing to the contrary by the Underwriter on or prior to the day of the Closing, or (b) the date on which the “end of the underwriting period” for the Series 2018 A Bonds has occurred under Rule 15c2-12. In any event, the City shall be entitled to treat as the End of the Underwriting Period, the date specified in the notification of the Underwriter required by clause (b) of paragraph 14 hereof.

14. **Duties of the Underwriter.**

(a) The City may request from the Underwriter from time to time, and the Underwriter shall provide to the City upon such request, such information as may be reasonably required by the City in order to determine whether the “end of the underwriting period” for the Series 2018 A Bonds has occurred under Rule 15c2-12 with respect to the unsold balances of Series 2018 A Bonds that are held by the Underwriter for sale to the public within the meaning of Rule 15c2-12.

(b) If the End of the Underwriting Period for the Series 2018 A Bonds does not occur on the day of the Closing and thereafter, in the opinion of the Underwriter, the Underwriter does not retain any unsold balance of Series 2018 A Bonds for sale to the public within the meaning of Rule 15c2-12, then the Underwriter shall promptly notify the City in writing that, in its opinion, the end of the underwriting period for the Series 2018 A Bonds under Rule 15c2-12 has occurred on a date which shall be set forth in such notification.

15. **Effective Date.** This Bond Purchase Contract shall be effective upon the execution hereof by the Underwriter and the City.

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

17. **Survival of Representations and Warranties.** All representations, warranties, covenants and agreements of the City set forth in or made pursuant to this Bond Purchase Contract

shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Series 2018 A Bonds.

18. **Execution in Counterparts.** This Bond Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Very truly yours,

By: GOLDMAN, SACHS & CO., as Underwriter

By: _____
Name: _____
Title: _____

The foregoing is confirmed and accepted
as of the date first above written

CITY OF SANTA CLARA, CALIFORNIA

By: _____
Deanna J. Santana
City Manager

[Signature page to Bond Purchase Contract]

EXHIBIT A

MATURITY SCHEDULE AND REDEMPTION PROVISIONS

\$ _____
City of Santa Clara, California
Electric Revenue Refunding Bonds, Series 2018 A

Maturity Schedule

<u>Maturity Date</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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\$ _____ * ____% Term Series 2018 A Bonds due July 1, ____ – Price: ____%

C Priced to par call on July 1, 20__.

* 10% Test Maturities

** Hold-the-Price Maturities

Redemption Provisions of Series 2018 A Bonds

Optional Redemption. The Series 2018 A Bonds are subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part on any date (by such maturities as may be specified by the City and by lot within a maturity), on or after July 1, 20__, at a redemption price equal to the principal amount of Series 2018 A Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

[Mandatory Sinking Fund Redemption. The Series 2018 A Bonds are subject to mandatory redemption prior to their stated maturity, in part, by lot, from Mandatory Sinking Account Payments, on

each July 1 as specified below, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium, as shown in the table below:

<u>Redemption Date</u> <u>(July 1)</u>	<u>Principal Amount</u>
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†

† Final Maturity.]

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

Goldman, Sachs & Co.
Los Angeles, California

\$ _____
City of Santa Clara, California
Electric Revenue Refunding Bond, Series 2018 A

Ladies and Gentlemen:

We have acted as bond counsel to the City of Santa Clara, California (the “City”) in connection with the issuance, sale and delivery of the City’s Electric Revenue Refunding Bonds, Series 2018 A in the aggregate principal amount of \$ _____ (the “Series 2018 A Bonds”), issued pursuant to the Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011, by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee, as amended and supplemented, including as supplemented by the Third Supplemental Electric Revenue Bond Indenture, dated as of November 1, 2018 providing for the issuance of the Series 2018 A Bonds (collectively, the “Indenture”).

The Series 2018 A Bonds are being sold on the date hereof by the City to Goldman, Sachs & Co. (the “Underwriter”), pursuant to a Bond Purchase Contract, dated _____, 2018 (the “Purchase Contract”).

All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Purchase Contract, or if not defined therein, in the Official Statement, dated _____, 2018, relating to the Series 2018 A Bonds (the “Official Statement”).

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of the City and various public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing and our review of such other information, documents and matters of law as we considered necessary to render this opinion, we are of the following opinions or conclusions:

1. The statements contained in the Official Statement under the captions “THE SERIES 2018 A BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 A BONDS,” “TAX MATTERS,” “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE,” “APPENDIX E – PROPOSED FORM OF OPINION OF BOND COUNSEL,” and “APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT” (excluding the statements under each such caption relating to The Depository Trust Company (“DTC”), Cede & Co. and the book-entry system, as to all of which we express no view), insofar as the statements contained under such captions expressly purport to summarize certain provisions of the Series 2018 A Bonds, the Indenture, the Disclosure Agreement and our opinion concerning certain tax matters relating to the Series 2018 A Bonds, present an accurate summary of such provisions for the purpose of use in the Official Statement.

2. The Official Statement and the execution and delivery thereof have been duly approved by the City, and the Purchase Contract, the Disclosure Agreement and the Escrow Agreement have been duly authorized, executed and delivered by the City and (assuming due authorization, execution and delivery by and validity against the other parties thereto) are valid and binding agreements of the City, enforceable against the City in accordance with their respective terms. We call attention to the fact that the rights and obligations under the Purchase Contract, the Disclosure Agreement and the Escrow Agreement and the enforceability thereof are subject to and may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles, to the possible unavailability of specific performance or injunctive relief, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public agencies in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum or waiver (including, without limitation, waiver of jury trial or consent to nonjury trial) provisions contained in the foregoing documents.

3. The Series 2018 A Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

Based upon our participation in the preparation of the Preliminary Official Statement dated _____, 2018, relating to the Series 2018 A Bonds (the "Preliminary Official Statement") and the Official Statement as bond counsel and on the basis of the information made available to us in the course of the foregoing, but without having undertaken to determine or verify independently, or assuming any responsibility for, the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and the Official Statement (except to the extent expressly set forth in paragraph 1 above), as of the date hereof no facts have come to the attention of the personnel in our firm directly involved in rendering legal advice and assistance in connection with the preparation of the Preliminary Official Statement and the Official Statement that causes us to believe that (a) the Preliminary Official Statement as of the date of the Purchase Contract 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 (excluding therefrom the discussions contained in the Preliminary Official Statement of permits, licenses and approvals required for the construction and operation of any projects of the City, and the status thereof, the description of any litigation, any information relating to DTC, Cede & Co., the book-entry system, forecasts, projections, estimates, assumptions and expressions of opinions and the financial and statistical data included therein, as to all of which we express no view), and except for such information as is permitted to be excluded from the Preliminary Official Statement pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, including but not limited to information as to pricing, yields, interest, rates, maturities, amortization, redemption provisions, debt service requirements, underwriter's discount and CUSIP numbers, or (b) the Official Statement as of its date or as of the date hereof 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 (excluding therefrom the discussions contained in the Official Statement of permits, licenses and approvals required for the construction and operation of any projects of the City, and the status thereof, the description of any litigation, any information relating to DTC, Cede & Co., the book-entry system, forecasts, projections, estimates, assumptions and expressions of opinions and the financial and statistical data included therein, as to all of which we express no view).

During the period from the date of the Official Statement to the date of this opinion, except for our review of the certificates and opinions regarding the Preliminary Official Statement and the Official Statement delivered on the date hereof, we have not undertaken any procedures or taken any actions which were intended or likely to elicit information concerning the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions. Such opinions may be adversely affected by actions taken or events occurring, including a change in law, regulation or ruling (or in the application or official interpretation of any law, regulation or ruling) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions are taken or such events occur, and we have no obligation to update this opinion in light of any such actions or events.

We are furnishing you this letter at the request of the City and solely for the information of, and assistance to, you in conducting and documenting your investigation of the affairs of the City in connection with the offering of the Series 2018 A Bonds and it is not to be used, circulated, quoted or otherwise referred to for any other purpose, including but not limited to the purchase or sale of the Series 2018 A Bonds, nor is it to be referred to in whole or in part in the Official Statement or any other document, except that it may be included in, and reference may be made to it in any list of, the closing documents pertaining to the delivery of the Series 2018 A Bonds. The providing of this opinion to you shall not create any attorney-client relationship between our firm and you. This opinion may not be relied upon by any other person, firm, corporation or other entity without our prior written consent.

Respectfully submitted,

EXHIBIT C

FORM OF OPINION OF CITY ATTORNEY

[Closing Date]

Goldman, Sachs & Co.
Los Angeles, California

§ _____
City of Santa Clara, California
Electric Revenue Refunding Bond, Series 2018 A

Ladies and Gentlemen:

I am the City Attorney of the City of Santa Clara and have acted as counsel to the City of Santa Clara (the “City”), in connection with the authorization and issuance of the bonds referenced above (the “Series 2018 A Bonds”). I advise you that I have examined (a) a certified copy of the resolution of the City adopted on _____, 2018 (the “Resolution”) approving and authorizing the issuance of the Series 2018 A Bonds and certain financing documents; (b) the Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011, by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as supplemented, including as supplemented by the Third Supplemental Electric Revenue Bond Indenture (collectively, the “Indenture”); (c) the Bond Purchase Contract, dated _____, 2018 (the “Bond Purchase Contract”), by and between Goldman, Sachs & Co., as underwriter of the Series 2018 A Bonds, and the City; (d) the Escrow Agreement, dated as of November 1, 2018 (the “Escrow Agreement”), by and between the City and The Bank of New York Mellon Trust Company, N.A., as escrow agent and as trustee; (e) the Continuing Disclosure Agreement, dated _____, 2018 (the “Disclosure Agreement”), by and between the City and the Trustee; (f) the Preliminary Official Statement, dated _____, 2018, relating to the Series 2018 A Bonds (the “Preliminary Official Statement”); (g) the final Official Statement, dated _____, 2018, relating to the Series 2018 A Bonds (the “Official Statement”); and (h) such other documents, instruments and certificates of public officials, officers and representatives of the City, and others, as I have deemed necessary or appropriate to render the opinions hereinafter expressed. The Indenture, the Bond Purchase Contract, the Escrow Agreement and the Disclosure Agreement are collectively referred to herein as the “City’s Documents.”

In making my examination of documents and instruments executed by parties other than the City, we have assumed that such parties have the power and authority, corporate and otherwise, to enter into and perform all obligations thereunder and have also assumed the due authorization of such documents and instruments by all requisite action, corporate and otherwise, of such parties, proper execution and delivery of such documents and instruments by authorized representatives of such parties and the validity and binding effect thereof on such parties. I have also assumed, with respect to all documents, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as certified or photostatic copies thereof.

As to various questions of fact relevant to this opinion letter, I have made no independent investigation of the accuracy, completeness, or fairness of such factual matters, but have relied instead upon certifications, representations, and warranties made by or on behalf of the City in the City’s

Documents and upon other certifications, representations, and warranties of officers or representatives of the City and others.

All capitalized terms not defined herein shall have the respective meanings ascribed thereto in the Bond Purchase Contract.

Based upon and subject to the foregoing, I am of the opinion that:

1. The City is a charter city of the State of California, and has the power and authority to carry out and consummate all transactions contemplated by the City's Documents and the Series 2018 A Bonds.

2. The Resolution was duly adopted at a meeting of the City Council which 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.

3. The City's Documents have each been duly authorized executed and delivered by the City and each constitutes the legal, valid, and binding agreement of the City, enforceable against the City in accordance with its respective terms, subject to the qualifications that (a) the enforceability of such document or instrument may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws relating to or affecting creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) and by limitations on legal remedies against public agencies in the State of California; (b) rights to indemnification or contribution may be limited by applicable law or equitable principles or otherwise unenforceable as against public policy; and (c) I express no opinion as to enforceability of forum selection, waiver of jury trial or choice of law provisions.

4. The Preliminary Official Statement and the Official Statement have been duly approved by the City, and the City has duly authorized the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering and sale of the Series 2018 A Bonds.

5. All authorizations, consents, approvals and reviews of governmental bodies or regulatory authorities required to be obtained or effected by the City for the City's execution and delivery of or performance under the Series 2018 A Bonds and the City's Documents have been obtained or effected.

6. Except as otherwise set forth in the Official Statement or otherwise disclosed in writing by the City to the Underwriter, there is no action, suit, proceeding, hearing, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of my knowledge, threatened against the City (i) in any respect questioning the existence of the City or the titles of the officers of the City to their respective offices in which an adverse decision would affect the validity of the Bond Resolution or its approval of the Bond Purchase Contract, the Indenture, the Escrow Agreement, the Disclosure Agreement, the Preliminary Official Statement, the Official Statement or the Series 2018 A Bonds; (ii) in any way contesting, affecting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Series 2018 A Bonds, or the collection of revenues pledged to pay the principal of and interest on the Series 2018 A Bonds, or the pledge of such revenues, or the application of the proceeds of the Series 2018 A Bonds for the purposes described in the Preliminary Official Statement and the Official Statement; (iii) in any way contesting or affecting

the validity or enforceability of the Series 2018 A Bonds, the Indenture, the Escrow Agreement, the Disclosure Agreement or the Bond Purchase Contract, or contesting the power or authority of the City to issue the Series 2018 A Bonds, the adoption of the Bond Resolution, or the execution and delivery by the City of, the Indenture, the Escrow Agreement, the Bond Purchase Contract or the Disclosure Agreement, or contesting the tax-exempt status of interest due on the Series 2018 A Bonds; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement 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.

7. To the best of my knowledge as the City Attorney of the City and based in part upon representations made to me by staff of the City, the execution and delivery of the City Documents and the adoption of the Resolution and compliance with the provisions thereof and hereof, and the approval of the Preliminary Official Statement and the Official Statement, 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 of or default under any California constitutional provision, law, administrative regulation, court order, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the City is a party, or by which the City is bound, in any such case to the extent such breach or default would have a material adverse effect on the ability of the City to repay the Series 2018 A Bonds or on the security therefor.

8. Based upon examinations which I have made and my discussions in conferences with certain staff of the City and others with respect to the Preliminary Official Statement and the Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement (including the Appendices attached thereto), nothing has come to my attention which would lead me to believe that (i) the information contained in the Preliminary Official Statement (other than financial and statistical data therein and incorporated therein by reference, forecasts, projections and assumptions therein and incorporated therein by reference, and other than information relating to DTC, the book-entry system or information provided by the Underwriter for inclusion in the Official Statement, as to which no opinion is expressed), and except for such information as is permitted to be excluded from the Preliminary Official Statement pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, including but not limited to information as to pricing, yields, interest rates, maturities, amortization, redemption provisions, debt service requirements, underwriter's discount and CUSIP numbers), as of the date of the Purchase Contract, contained an untrue statement of a material fact or omitted to state a 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, or (ii) the information contained in the Official Statement (other than financial and statistical data therein and incorporated therein by reference, forecasts, projections and assumptions therein and incorporated therein by reference, and other than information relating to DTC, the book-entry system or information provided by the Underwriter for inclusion in the Official Statement, as to which no opinion is expressed), as of the date thereof and as of the date hereof, contained or contains an untrue statement of a material fact or omitted or omits to state a 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.

I express no opinion with respect to (a) the excludability from gross income or the exemption of interest on the Series 2018 A Bonds for purposes of federal or state income taxation, and (b) the

application of or compliance with the securities laws and regulations of the United States of America or the securities laws and regulations of any state or other jurisdiction thereof.

The laws addressed by this opinion letter are limited to the laws of the State of California and the federal laws of the United States of America.

This opinion letter is rendered upon request to the addressee hereof solely in connection with the transactions contemplated by the Series 2018 A Bonds and the City's Documents and may not be used or relied upon by any other person or for any other purpose without prior written consent.

Very truly yours,

EXHIBIT D
ISSUE PRICE CERTIFICATE