

City of Santa Clara, California

DISCLOSURE CONTROLS AND PROCEDURES

Effective as of November 18, 2025

A. GENERAL

1. **Purpose.** These Disclosure Controls and Procedures (the “**Disclosure Procedures**”) of the City of Santa Clara (the “**City**”) are intended to (i) ensure the accuracy of the City’s disclosures and the City’s compliance with all applicable federal and state securities laws, and (ii) promote best practices regarding disclosures relating to debt issued by the City.

The failure of the City to comply with any provision of these Disclosure Procedures shall not affect the authorization or the validity or enforceability of any debt that is otherwise issued by the City in accordance with law.

2. **Definitions.** Unless otherwise defined in this document, capitalized terms used in these Disclosure Procedures shall have the meanings set forth below:

“*Annual Report*” means the annual financial information and operating data required to be filed pursuant to a Continuing Disclosure Agreement.

“*Audited Financial Statements*” or “*ACFR*” means the City’s Annual Comprehensive Financial Report.

“*Bond Counsel*” means a law firm or law firms retained by the City to render an opinion in connection with the issuance of bonds or other municipal securities as to the validity and enforceability of the bonds or other municipal securities and the treatment of the interest on the bonds or other municipal securities under the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the bonds or other municipal securities and applicable state law.

“*City*” means the City of Santa Clara, California.

“*Continuing Disclosure Agreement*” or “*CDA*” means the certificate or agreement entered into by the City in connection with the public offering of securities to permit the underwriters of such securities to comply with SEC Rule 15c2-12, as amended from time to time.

“*Continuing Disclosure Agreement Master List*” means a current list of each Continuing Disclosure Agreement of the City, identified by name of the issue covered and the CUSIP numbers associated therewith, for which the City remains obligated, together with a description of the contents required in the Annual Report under each Continuing Disclosure Agreement, the date on or before which the Annual Report and Audited Financial Statements must be filed, a description of information required in any notice of a failure to file the Annual Report and Audited Financial Statements, and a description of each event for which notice must be filed and whether the event must be filed in a timely manner or within ten business days of the occurrence of the event.

“Contributors” means City employees or non-City individuals or agencies that are not part of the Working Group that prepare or provide information for inclusion in the Disclosure Documents or review certain Disclosure Documents for accuracy and completeness.

“Debt Management Policy” means the debt management policy of the City of Santa Clara.

“Disclosure Coordinator” means the Director of Finance, or such other City official designated by the Director of Finance from time to time.

“Disclosure Counsel” means the law firm or law firms retained by the City from time to time to advise the City with respect to disclosure obligations and requirements under federal securities laws.

“Disclosure Document” means any City document and material prepared, issued, or distributed in connection with the City’s disclosure obligations under applicable federal and state securities laws or that could potentially subject the City to liability under applicable federal securities laws, relating to its debt obligations including, but not limited to, the following:

- (A) Offering Documents, together with any supplements;
- (B) Audited Financial Statements;
- (C) Annual Reports, Event Notices, and any other filings made by the City under a Continuing Disclosure Agreement;
- (D) Any voluntary filing made by the City that is filed on EMMA;
- (E) Investor presentations; rating agency presentations; and
- (F) Any other document that is reviewed and approved in accordance with these Disclosure Procedures.

The term “Disclosure Document” shall also include any other disclosure that the Disclosure Coordinator, or designee, designates as such pursuant to Section D herein.

“Disclosure Procedures” means these Disclosure Controls and Procedures, as the same may be supplemented and amended from time to time.

“Dissemination Agent” means a third-party consultant appointed by the City to act as dissemination agent under a Continuing Disclosure Agreement.

“EMMA®” means the internet-based platform maintained by the MSRB known as the Electronic Municipal Market Access system.

“Event Notice” or *“Disclosure”* means disclosure of certain enumerated events relating to a municipal security required to be made by an issuer or obligated person to the Electronic Municipal Market Access (EMMA®) system pursuant to a continuing disclosure agreement or undertaking meeting the requirements of SEC Rule 15c2-12. Disclosures may be referred to as material event notices or disclosures even though under Rule 15c2-12 a materiality standard for determining whether the notice is required applies to only certain of the enumerated events.

“Financial Obligation” means a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). The term Financial Obligation does not include municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule regardless of whether the official statement (OS) filing is required under the Rule or is done on a voluntary basis. In order for this exemption to apply, the issuer will need to enter into a continuing disclosure agreement as well.

Also, the definition “financial obligation” does not include ordinary financial and operating liabilities incurred in the normal course of business by the City, but rather only the City’s debt, debt-like, and debt-related obligations. The terms used in the definition of Financial Obligation have the meanings ascribed to them in SEC Release No. 34-83885 (Aug. 20, 2018).

“Financial Obligations Master List” means a list of the City’s existing Financial Obligations. The Financial Obligations Master List should include for each Financial Obligation listed such terms of the Financial Obligation as may be necessary to comply with the information reporting requirements of Event (15) under the Rule and monitoring requirements of Event (16) under the Rule. The Financial Obligations Master List should be updated upon incurrence of each new Financial Obligation or modification of an existing Financial Obligation.

“Listed Event” means certain enumerated events specified in the Rule and in the City’s Continuing Disclosure Agreements. The current Listed Events enumerated under the Rule are set forth in Appendix A – Listed Events.

“MSRB” means the Municipal Securities Rulemaking Board, or any other entity designated or authorized by the Securities and Exchange Commission to receive filings pursuant to Rule 15c2-12 under the federal Securities Exchange Act of 1934, as the same may be amended and modified from time to time.

“Municipal Advisor” means an individual or firm providing advice to the City with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues.

“Offering Documents” means all preliminary and final official statements, including appendices, offering memoranda and other materials prepared by or for the City, together with any amendments or supplements thereto, for use in connection with the offering of notes, bonds, other municipal securities, or other obligations of the City subject to the Rule and the antifraud provisions of federal securities law.

“Required Date” means the latest date or dates after the end of the City’s fiscal year when the Audited Financial Statements and Annual Report are required to be filed with the MSRB under the City’s Continuing Disclosure Agreements, as identified by the Continuing Disclosure Agreement Master List.

“Rule” or “Rule 15c2-12” means Securities and Exchange Commission Rule 15c2-12, adopted pursuant to the Securities Exchange Act of 1934, 17 CFR § 240.15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Underwriter” means the broker, dealer, or municipal securities dealer offering or placing bonds or other municipal securities described in Offering Documents to or with investors.

“Underwriter Group” means collectively, the Underwriters and counsel to the Underwriters.

“Working Group” means collectively, City officials, City employees, and outside professionals and consultants (which may include without limitation Bond Counsel, Disclosure Counsel, Municipal Advisors, Underwriters, Dissemination Agents, and accountants) assigned by the Disclosure Coordinator to assist the City with the preparation and/or review of Disclosure Documents. City officials and employees shall include, at a minimum, senior representatives of the City Finance Department’s Administration Division and Accounting Division, and the City Attorney’s Office.

“Working Group Coordinator” means a member of the Working Group that is a City employee and designated by the Director of Finance, or his/her designee, as the lead member of the Working Group.

“Working Group Member” means each individual designated by the Disclosure Coordinator as part of the Working Group.

B. RESPONSIBILITIES

1. Disclosure Coordinator Responsibilities

The Disclosure Coordinator is responsible for oversight of the City’s compliance with these Disclosure Procedures. Primary responsibilities regarding disclosure requirements in connection with the issuance of debt include, but are not limited to, the following:

- a. Identify members of the applicable Working Group in a timely manner.
- b. Identify required professional services necessary for each respective debt issuance.
- c. Appoint a Working Group Coordinator for each debt issuance.
- d. Authorize the Working Group Coordinator to procure the required professional services for each debt issuance.
- e. Communicate with appropriate senior City officials regarding the Disclosure Documents, as needed.
- f. Serve as the spokesperson, or designate a spokesperson, to communicate with investors and the public on questions regarding disclosure matters of the City.
- g. Meet periodically with the Working Group Coordinator during each debt issuance to review the scope and content of the Disclosure Documents.
- h. Direct the Working Group Coordinator and other City employees to engage with certain professionals and contractors to assist the City with preparing, reviewing, and finalizing Disclosure Documents or to assist in the execution of the responsibilities detailed within these Disclosure Procedures.

- i. Work with the Working Group and such other individuals as appropriate given the nature of the financing to confirm that these Disclosure Procedures are followed with respect to the preparation and/or dissemination of Disclosure Documents.
- j. Confirm that all financial and operating information contained in the Disclosure Documents has been provided to the Working Group for review in accordance with these Disclosure Procedures.
- k. Confirm that information regarding the City's financial condition has been compared for accuracy against the City's ACFR, including the notes included therein, and other financial reports prepared and released by the City, as applicable.
- l. Certify that each Disclosure Document as of the date thereof, does not contain any untrue statement of a material fact or omit 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.

The Director of Finance, or his/her designee, may designate staff or engage a Municipal Advisor or other professionals to assist in the execution of the responsibilities above.

2. Working Group Coordinator Responsibilities

The Working Group Coordinator's primary responsibilities prior, during, and after each issuance of debt by the City include, but are not limited to, the following:

- a. Establish a debt issuance checklist and timeline for preparing, reviewing, revising, approving, and finalizing Disclosure Documents, including the circulation and review of draft Disclosure Documents.
- b. Work with the Working Group and Underwriter Group to determine the contents of the Disclosure Documents.
- c. Procure necessary consultants and professional services identified by the Disclosure Coordinator, as requested.
- d. Assign responsibilities for the preparation and review of all Disclosure Documents to members of the Working Group and/or Contributors.
- e. Disseminate or manage the dissemination of Disclosure Documents to the Working Group throughout the preparation and review process.
- f. Manage and control revisions to the Disclosure Documents for each debt issuance.
- g. Verify the accuracy of information in the Disclosure Documents.
- h. Serve as the primary point of contact or appoint a primary point of contact regarding information in the Disclosure Documents.
- i. Meet periodically with the Disclosure Coordinator during each debt issuance process to review the scope and content of the Disclosure Documents.
- j. Maintain records demonstrating the City's compliance with these Disclosure Procedures. (e.g., records of meetings, task checklists, responsible party checklists, internal certifications, emails, and sign-offs)

- k. Keep informed of the City's public disclosures for the purpose of considering whether any such disclosure should be considered a Disclosure Document.
- l. Monitor ongoing compliance by the City with these Disclosure Procedures.
- m. Maintain the Continuing Disclosure Agreement Master List and the Financial Obligations Master List; and
- n. File or cause to be filed the required Disclosure Documents, including the ACFR and Event Notices, with EMMA[®] by the deadlines stated in each Continuing Disclosure Agreement.
- o. Carry out the Continuing Disclosure responsibilities identified in Section E – Continuing Disclosure, herein.

3. Working Group Responsibilities

- a. Meet collectively on-site or virtually to review and discuss Disclosure Documents as determined by the Disclosure Coordinator or Working Group Coordinator. Attendance at meetings shall be determined by the Disclosure Coordinator or Working Group Coordinator.

4. Working Group Member Responsibilities. Working Group Members shall solicit information in a timely manner from City employees or non-City individuals or agencies that are not part of the Working Group or Underwriter Group ("Contributors") for inclusion in the applicable Disclosure Documents or may request the Contributors review certain Disclosure Documents for accuracy and completeness.

- a. Identify and contact Contributors as soon as reasonably practical to request information to be included in the Disclosure Documents or to perform a review of the Disclosure Documents or portions thereof.
- b. Each Working Group Member shall determine and document the sources from which information they are responsible for preparing, updating, or reviewing is derived.
- c. Each respective Working Group Member shall, to the extent applicable, maintain documentation of Contributors and the information each provided or reviewed in connection with the Disclosure Documents, and shall also be responsible for collecting all transmittal letters, certifications, sign-offs, and other source documentation requested by the Disclosure Coordinator or Working Group Coordinator for incorporation into the records to be maintained by the Working Group Coordinator demonstrating the City's compliance with these Disclosure Procedures.
- d. As requested by the Disclosure Coordinator, or designee, or the Working Group Coordinator, provide a signed disclosure certificate, email, or other specified sign-off certifying any Disclosure Document completed and/or reviewed.
- e. Each Working Group Member that is a City official or employee is required to submit a completed disclosure certificate, email, or other specified sign-off to the Working Group Coordinator for all bond transactions requiring an official statement, even if no changes are made to the section(s) of the official statement they are responsible for preparing or reviewing, certifying that the information as of the date thereof, does not contain any untrue statement of a material fact or omit 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.

C. DISCLOSURE PROCEDURES – OFFERING DOCUMENTS

1. Offering Documents Disclosure - The following process shall be used in connection with reviewing the form and content of Offering Documents and any supplements thereto.
 - a. The Working Group Coordinator shall request that Bond Counsel, Disclosure Counsel, the Municipal Advisor, or other professional or consultant, prepare an initial draft of Offering Documents.
 - b. The Working Group Coordinator shall disseminate or cause the dissemination of the initial draft of the Offering Documents to the Working Group for completion and review.
 - c. The Working Group Coordinator shall:
 - (i) ensure that all appropriate members of the Working Group and Underwriter Group are included on the distribution list, and
 - (ii) assign all or portions of the Offering Documents to the Working Group and Contributors, for preparation and/or review, as necessary.
 - d. Each member of the Working Group shall identify and work with Contributors as necessary to prepare information to complete the Offering Documents they are responsible for preparing, respectively.
 - e. The Working Group Coordinator, Bond Counsel, and/or Disclosure Counsel shall manage the incorporation of information received from the Working Group and Contributors into the Offering Documents.
 - f. The Working Group Coordinator, with input from Bond Counsel, Disclosure Counsel, and the Municipal Advisor, shall decide the appropriate time to provide the Underwriter Group with drafts of the Disclosure Documents.
2. Offering Documents Review and Approval Process
 - a. Prior to an Offering Document being deemed “final” within the meaning of the Rule, the Working Group Coordinator, in consultation with the Municipal Advisor, Disclosure Counsel, and Underwriter Group, shall conduct a review that the Working Group Coordinator deems appropriate of the City’s compliance with its continuing disclosure undertakings for the preceding five years in order to identify any compliance failures. The Working Group Coordinator may rely on compliance surveys prepared by third-party consultants, including consultants engaged by an Underwriter.
 - i. If any compliance failures are identified, the Working Group Coordinator shall consult with Disclosure Counsel and the Underwriter Group to determine whether disclosure of such failures is required in the Offering Documents. If necessary, the Working Group Coordinator, or designee, in consultation with Disclosure Counsel, shall draft such disclosure for inclusion in the Offering Documents, as required under federal securities law and submit such draft to the Disclosure Coordinator, Working Group, and Underwriter Group, if applicable, for review. Upon approval by the Disclosure Coordinator, Working Group, and Underwriter Group, if

applicable, the Working Group Coordinator shall ensure such language is included in the Offering Documents.

- ii. To the extent practicable, remedial filings with respect to any such failures to file shall be prepared and filed in accordance with these Disclosure Procedures.
- b. Members of the Working Group shall review, revise, and comment on initial and revised drafts of the Offering Documents prior to their respective signoffs and distribution.
- c. The Disclosure Coordinator or Working Group Coordinator shall coordinate a City due diligence meeting with the Working Group and Underwriter Group in connection with the Offering Documents.
- d. The Disclosure Coordinator, Working Group, and Underwriter Group, as applicable, must approve the final version of all Offering Documents prior to posting or distribution. Before final approval, the Working Group must determine that the material facts described therein are consistent with those known to the Working Group, and that the final version of the Offering Documents (1) does not make any untrue statement of a material fact or omit any material fact necessary to make the statements made therein, in the light of the circumstances in which they are made, not misleading, and (2) is accurate and complete in all material respects. For purposes of these Disclosure Procedures, the execution of a certificate deeming an Offering Document final shall also serve as the City's written signoff on the contents of the Offering Document.
- e. Approval of Offering Documents shall be evidenced by written sign-off (which may be delivered by e-mail) from each member of the Working Group and Underwriter Group, as applicable, with responsibility for the disclosure provided in the Offering Documents. Upon receipt of written sign-off from the respective members of the Working Group and Underwriter Group, as applicable, the Working Group Coordinator shall authorize the distribution of the Offering Documents. The Working Group Coordinator shall retain the written signoffs received from each member of the Working Group and Underwriter Group in the records maintained pursuant to these Disclosure Procedures.

3. Offering Document Submission

- a. All Offering Documents shall be submitted to the City Council together with each resolution or ordinance authorizing the issuance and sale of the related debt obligation. Such resolution or ordinance shall include a provision for City Council approval of the Offering Documents in substantially final form together with a delegation to the City Manager, the Director of Finance, or other City staff as appropriate to finalize the Offering Documents and to, among other things, include the most recent City financial information or other material information, and to otherwise make corrections and clarifications needed so that such Offering Documents comply with federal securities laws.
- b. After review and approval of final Disclosure Documents by the City Council, and sign-off by the Working Group and Underwriter Group, as applicable, the Working Group Coordinator shall file or cause to be filed the required Disclosure Documents on EMMA®, if not already performed by the Underwriter.

D. DISCLOSURE PROCEDURES - OTHER DOCUMENTS

The following procedures apply to Disclosure Documents that are not addressed in Section C.

1. The Disclosure Coordinator, or designee, shall review City Council agenda items in order to identify the entering into of new potential Financial Obligations (or a modification of an existing Financial Obligation due to financial difficulty) and shall follow-up with the City staff responsible for the agenda item to determine if the item rises to the level of disclosure. For purposes of this section, at a minimum, items to be considered by the Disclosure Coordinator as a potential Financial Obligation shall include, but are not limited to:
 - a. A debt obligation;
 - b. A derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation;
 - c. A guarantee of (a) or (b);
 - d. A financing agreement or financing lease or energy savings performance contract where the City effectively borrows money at a rate of interest for the purchase of vehicles and equipment and pays back such borrowing over a number of years;
 - e. A contract for the payment of a good or service that obligates the City to a payment over a number of years but does not include normal operating contracts such as for the construction of public improvements or maintenance thereof;
 - f. An economic development agreement that has features of a “debt” such as the payment of interest over time;
 - g. A line of credit, credit agreement or commercial paper program;
 - h. A loan or contract with the State or Federal Government where funds are received by the City and repayment is made over a number of years with interest;
 - i. A contract or obligation that contains provisions or triggers that may impair the City’s liquidity, creditworthiness or an existing security holder’s rights;
 - j. Any contract or obligation that is a guarantee provided by the City for the benefit of a third party; or
 - k. Any other contract, instrument or obligation that is “debt-like” or “debt- related”.

The Disclosure Coordinator, or designee, shall review all potential Financial Obligations for materiality and determine, in consultation with Disclosure Counsel as needed, if a filing is required. For purposes of this section, a determination as to the materiality of a potential Financial Obligation involves a determination as to:

“whether a financial obligation or the terms of a financial obligation, if they affect security holders, would be important to the total mix of information made available to a reasonable investor when making an investment decision.”

In determining whether a Financial Obligation is material upon its incurrence or any modification of its terms, relevant facts and circumstances may include, but are not limited to:

- a. The principal amount of the Financial Obligation, including the aggregate par amount of a series of related Financial Obligations (e.g., a series of financing leases), and the method of setting or adjusting the interest rate thereof;
- b. The City's overall balance sheet and the size of its existing debt obligations;
- c. The source of security pledged for repayment of the Financial Obligation and the rights associated with such pledge;
- d. The length of time that the Financial Obligation is to remain outstanding; and
- e. Other appropriate terms of a Financial Obligation that will impact the City's financial condition and/or existing security holders in a material manner.

In determining whether the modification of the terms of a Financial Obligation reflects financial difficulties of the City pursuant to Event (16), such occurrences may include but are not limited to the following types of events:

- a. Monetary defaults or events of non-appropriation where the City has failed to pay principal, interest or other funds due, or a non-payment related default where the City has failed to comply with specified covenants;
- b. An event of acceleration exercised by a trustee or counterparty as the result of an event of default or other applicable remedy provision;
- c. A modification of terms that reflects financial difficulties of the City such as a re-amortization of debt due to the City's difficulty in making payments;
- d. A written or verbal waiver of an agreement provision that is a departure from what was agreed to under the original terms of such agreement; and
- e. Other events under the terms of a Financial Obligation that reflect financial difficulties of the City and share similar characteristics with the specific types of events in Event (16).

At all times, Working Group Members are required to notify the Working Group Coordinator if they become aware of the occurrence or potential occurrence of events, amendments, or new agreements, or other items that would constitute Events (15) and (16) under the Rule. If a Working Group Member provides such notice or the Working Group Coordinator otherwise becomes aware of such actual or potential event, the Working Group Coordinator shall follow the steps under "Section E (3)(a) Event Notices – General" and "Section E (3)(b) Event Notices – Financial Obligations" in determining whether an event has occurred and, if necessary, the drafting and filing of the Event Notice and related record-keeping.

The Working Group Coordinator shall make a determination, based on the facts and circumstances, whether to submit to EMMA® a description of the material terms of the Financial Obligations or changes thereto reflecting financial difficulties, or alternatively or in addition, submit the entirety of the materials, including contracts and transaction documents prepared in connection with the Financial Obligation, redacting any confidential or personally identifiable information. The Working Group Coordinator shall notify the Disclosure Coordinator of all determinations regarding Financial Obligations.

2. Public Document Releases and Other Communications

The anti-fraud provisions of the securities laws apply to public document releases (including annual and continuing disclosures accessible on the EMMA® system) and other communications that are reasonably likely to reach investors or the

securities markets and could be material to investors. Without limitation, such releases could include press releases, reports, web site postings, and other public communications of City officials and staff. While the Disclosure Coordinator, or designee, will not review all such communications, any City employee preparing information for public release may request that the Disclosure Coordinator, or designee, determine whether such document or other communication should be filed as a material event or voluntary notice with the MSRB.

3. Notification. If the Disclosure Coordinator, or designee, or Working Group Coordinator determines that a document is a Disclosure Document, the Disclosure Coordinator or Working Group Coordinator shall determine (i) the expected completion date of the Disclosure Document and (ii) the expected dissemination date of the Disclosure Document. The Disclosure Coordinator, or designee, and the Working Group Coordinator shall be provided with a reasonable opportunity to review such Disclosure Document.
4. Involvement of City Attorney's Office. The Disclosure Coordinator, or designee, or Working Group Coordinator may request the City Attorney's Office and/or Disclosure Counsel, review any public document release or other communication to help determine whether such information should be disclosed.
5. Dissemination of Disclosure Documents. If the Disclosure Coordinator, or designee, or Working Group Coordinator determines that dissemination of information or a material event is appropriate, the Disclosure Coordinator shall post, or cause such information to be posted, in a timely manner on EMMA®, consistent with these Disclosure Procedures and the Debt Management Policy.

E. POST ISSUANCE COMPLIANCE AND CONTINUING DISCLOSURE

The City has established guidelines contained in its Debt Management Policy (the "Post Issuance Guidelines") to ensure that the City complies with the requirements of the IRS Code and California Code that are applicable to its debt. These Post Issuance Guidelines, along with requirements contained in the tax certificate (the "Tax Certificate") and other documents executed at the time of issuance of debt, as well as the City's internal arbitrage procedures, are intended to constitute written guidelines for ongoing compliance with Federal tax requirements and the California Code, as applicable, and for timely identification and remediation of violations, if any, of such requirements. See "City of Santa Clara Debt Management Policy – Appendix B – Post Issuance Compliance Guidelines".

In connection with the issuance of municipal securities, the City has entered into (and in the future may enter into) Continuing Disclosure Agreements for the benefit of the holders and beneficial owners of the issue of municipal securities, as required by the Underwriters in accordance with the Rule. The City is required to comply with these Continuing Disclosure Agreements for so long as it remains obligated to advance funds to pay or support the municipal securities covered by the respective Continuing Disclosure Agreements.

Under the Continuing Disclosure Agreements, the City is obligated to provide to the MSRB by means of the EMMA® system (1) annual financial information consisting of (i) Audited Financial Statements and (ii) the Annual Report on or before the date specified in the Continuing Disclosure Agreements, and notice of any failure to provide such annual financial information, and (2) in a timely manner, any of the Event Notices specified in the Continuing Disclosure Agreements.

The Working Group Coordinator maintains the Continuing Disclosure Agreement Master List and shall have primary responsibility for carrying out the City's responsibilities under its Continuing Disclosure Agreements, which include the following:

1. Audited Financial Statements. The Working Group Coordinator will file the Audited Financial Statements with EMMA® upon availability or together with the Annual Report, provided such filing occurs on or before the respective Required Date.

If the Audited Financial Statements are not complete by the Required Date, the Working Group Coordinator shall:
 - a. If required under a Continuing Disclosure Agreement, arrange for the review by the Working Group and filing of unaudited financial statements with such cautionary statements and disclaimers as may be appropriate on or before the Required Date or as soon as practicable thereafter, and
 - b. If required under a Continuing Disclosure Agreement, direct the Working Group Coordinator to draft and file an Event Notice, in conformity with the failure to file notice provisions of the Continuing Disclosure Agreement, stating that the annual financial information is not yet available and will not be filed by the Required Date. When the Audited Financial Statements become available, the Disclosure Coordinator shall direct the Working Group Coordinator or other person or entity to file such Audited Financial Statements pursuant to each respective Continuing Disclosure Agreement on EMMA®.
2. Annual Report. The Working Group Coordinator shall schedule the preparation and drafting of the Annual Report with the Working Group in time to file the Annual Report on or before the Required Date.
 - a. The Working Group Coordinator shall assign preparation of all required information of the draft Annual Report, as appropriate, to members of the Working Group and Contributors with responsibility for the financial information or operating data described therein and indicated to be required by the Continuing Disclosure Agreement Master List.
 - i. The Working Group shall review, comment on, and revise the initial and any subsequent drafts of the Annual Report and check, confirm, and include or incorporate by reference, as appropriate, information contained in the ACFR, and such other reports as required; and consult with appropriate City staff, Bond Counsel, Disclosure Counsel, and other outside consultants, if necessary, regarding the disclosure in the Annual Report.
 - b. The Working Group Coordinator shall receive, review, and compile the required information related to the preparation of the Annual Report by Working Group Members and Contributors.
 - c. The Working Group Coordinator shall disseminate drafts of the Annual Report to members of the Working Group for review and comment until all Working Group Members provide approval.
 - d. Following the Working Group review and approval, the Disclosure Coordinator must approve the final version of the Annual Report. Prior to final approval, the Working Group Coordinator shall determine that the material facts described therein are consistent with those known to the Working Group, and that the final version of the Annual Report (1) does not make any untrue statement of a material fact or omit any material fact necessary to make the statements made

therein, in the light of the circumstances in which they are made, not misleading, and (2) is accurate and complete in all material respects.

- e. Prior to submitting the Annual Report to EMMA®, the Working Group Coordinator must receive written sign-off (which may be delivered by email) from each member of the Working Group with responsibility for the disclosures provided in the Annual Report. The Working Group Coordinator shall retain the written sign-offs received from Working Group Members in the records maintained pursuant to these Disclosure Procedures.
- f. If the Annual Report is not available by the Required Date, the Working Group Coordinator shall file an Event Notice, in conformity with the failure to file notice provisions of the Continuing Disclosure Agreement, stating that the Annual Report is not yet available and will not be filed by the Required Date. When the Annual Report becomes available, the Working Group Coordinator shall file such Annual Report on EMMA®.
- g. The Working Group Coordinator shall file the Annual Report on EMMA®. The Working Group Coordinator may engage the assistance of a Municipal Advisor, Dissemination Agent, or a third-party firm to perform this responsibility.

3. Event Notices. In its Continuing Disclosure Agreements, the City is obligated to file notices of certain events on EMMA® in a timely manner (in certain undertakings within ten business days) after the occurrence of the event, as set forth in the Continuing Disclosure Agreement Master List.

- a. *Event Notices – General.* Each member of the Working Group is expected to have a complete understanding of the Listed Events set forth in each Continuing Disclosure Agreement, as described in the Continuing Disclosure Agreement Master List.

At all times each Working Group Member is required to notify the Working Group Coordinator if they become aware of any event or potential for an event described in the Continuing Disclosure Agreement Master List that may require the filing of an Event Notice.

The Working Group Coordinator shall identify City personnel who may have information relating to the City's disclosure obligations under each respective Continuing Disclosure Agreement and Event Notices. The Working Group Coordinator shall require each City department to notify the Working Group Coordinator upon the occurrence of any event or potential for an event described in the Continuing Disclosure Agreement Master List within the department's respective scope of responsibilities.

Upon notification of the occurrence of an event or potential occurrence of an event that may require filing of an Event Notice, the Working Group Coordinator shall confer with the Working Group, City staff, and other outside consultants as may be necessary to determine whether an event has occurred and, if necessary, draft or assign the drafting of the Event Notice in sufficient time to allow the City to meet its continuing disclosure obligations described in the Continuing Disclosure Agreement Master List.

The Working Group Coordinator shall draft the Event Notice and the Disclosure Coordinator, or designee, must approve the version of the Event Notice before the Event Notice is distributed to the Working Group for review and comment. The Working Group Coordinator shall consult with members of the Working Group, other appropriate City staff, and other outside consultants, if necessary, regarding the Event Notice. Before final approval, the Working Group

Coordinator must determine that the material facts described therein are consistent with those known to the Working Group, and that the final version of the Event Notice (1) does not make any untrue statement of a material fact or omit any material fact necessary to make the statements made therein, in the light of the circumstances in which they are made, not misleading, and (2) is accurate and complete in all material respects.

Prior to submitting the Event Notice, the Working Group Coordinator must receive written sign-off (which may be delivered by email) from each member of the Working Group with responsibility for the disclosure provided in the Event Notice. Upon receipt of sign-off from such members of the Working Group, the Working Group Coordinator shall file the Event Notice on EMMA®. The Working Group Coordinator may engage the assistance of a Municipal Advisor, Dissemination Agent, or a third-party firm to perform this responsibility. The Working Group Coordinator shall retain the written sign-offs received from such members of the Working Group in the records maintained pursuant to these Disclosure Procedures.

If the Working Group becomes aware of an Event Notice that was not timely filed, the Working Group Coordinator shall follow the process described above to promptly file such Event Notice, if required pursuant to the Rule.

- b. *Event Notices – Financial Obligations.* In connection with each issuance of debt by the City subject to the Rule, the City is required to include in future Continuing Disclosure Agreements an agreement to file, not in excess of ten business days after occurrence, an Event Notice for the following: Event (15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and Event (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties. The terms used in Events (15) and (16) shall have the meanings ascribed to them in accordance with guidance provided by SEC Release No. 34-83885 dated August 20, 2018.

Each member of the Working Group is expected to have an understanding of Events (15) and (16) under the Rule. If the Working Group has not received disclosure training on Events (15) and (16), the Working Group Coordinator should request such training pertinent to these matters (see Section F - Training).

The Working Group Coordinator will, in consultation with Bond Counsel and Disclosure Counsel, be responsible for: (i) identifying existing material Financial Obligations; (ii) tracking new material Financial Obligations, including amendments thereto; and (iii) monitoring Financial Obligations for events which may reflect financial difficulties.

To assist in monitoring compliance with Events (15) and (16), the Working Group Coordinator shall create the Financial Obligations Master List, with the assistance of Bond Counsel and Disclosure Counsel, and other outside consultants, as the Disclosure Coordinator and Working Group Coordinator deem appropriate.

The Financial Obligations Master List should at a minimum provide information similar in content to the recommended format provided by the Government Finance Officers Association.

The Working Group Coordinator shall maintain and update the Financial Obligations Master List, and upon approval of the Disclosure Coordinator, may retain a Municipal Advisor, as may be necessary, to effectively maintain and update such list as well as to make all filings required to be made by the City under the Continuing Disclosure Agreement.

4. Voluntary Filings with EMMA®

If City staff desires to file a voluntary disclosure filing on EMMA®, the staff must make a request to the Working Group Coordinator describing the reason for providing a voluntary disclosure. The Working Group Coordinator shall coordinate with the Disclosure Coordinator to determine whether a voluntary filing is appropriate and, if so, draft or assign the drafting of the voluntary disclosure filing. The Working Group Coordinator shall provide the Disclosure Coordinator with a draft of the voluntary filing and the Disclosure Coordinator will review, revise, and comment on initial and subsequent drafts of the voluntary filing. The Working Group Coordinator may consult with members of the Working Group and other outside consultants, if necessary, regarding the voluntary filing.

The Disclosure Coordinator must approve of the final version of the voluntary filing. Before final approval, the Working Group Coordinator must determine that the material facts described therein are consistent with those known to the Working Group Coordinator, and that the final version of the voluntary filing (1) does not make any untrue statement of a material fact or omit any material fact necessary to make the statements made therein, in the light of the circumstances in which they are made, not misleading, and (2) is accurate and complete in all material respects.

Approval of a voluntary filing shall be evidenced by written sign-off (which may be delivered by e-mail) from each member of the Working Group with responsibility for the disclosure provided in the voluntary filing. Upon receipt of sign-off from such members of the Working Group, the Disclosure Coordinator shall direct the Working Group Coordinator to file the voluntary filing with EMMA®. The Working Group Coordinator shall retain the written sign-offs received from the Disclosure Coordinator and members of the Working Group in the records maintained pursuant to these Disclosure Procedures.

F. RATING AGENCY PRESENTATIONS

If City officials and staff are to make a presentation to a rating agency relating to the rating of outstanding or proposed municipal securities, the Working Group Coordinator shall assign portions of the draft rating agency presentation to members of the Working Group and Contributors with responsibility for the financial and other information to be provided therein and to Bond Counsel, Disclosure Counsel, and the Municipal Advisor, as appropriate.

The Working Group shall consult with Contributors and other appropriate City staff, and other outside consultants, if necessary, regarding the disclosure in the rating agency presentation. The Working Group shall review, revise, and comment on initial and subsequent drafts of the rating agency presentation.

The Disclosure Coordinator must approve the final version of any rating agency presentation prior to delivery to a rating agency. Before final approval, the Working Group Coordinator must determine that the material facts described therein are consistent with

those known to the Working Group, and that the final version of the rating agency presentation (1) does not make any untrue statement of a material fact or omit any material fact necessary to make the statements made therein, in the light of the circumstances in which they are made, not misleading, and (2) is accurate and complete in all material respects.

Approval of a rating agency presentation shall be evidenced by written sign-off (which may be delivered by e-mail) from each Working Group Member with responsibility for the disclosure provided in the rating agency presentation. Upon receipt of sign-off from such Working Group Members, the Working Group Coordinator shall direct a Working Group Member to provide the rating agency presentation to the rating agency. The Working Group Coordinator shall retain the written sign-offs received from members of the Working Group in the records maintained pursuant to these Disclosure Procedures.

G. INVESTOR PRESENTATIONS

In the event a presentation is to be made to prospective investors with respect to an offering of municipal securities of the City or to investors with respect to outstanding municipal securities of the City, the Working Group Coordinator shall assign portions of the draft investor presentation to members of the Working Group and Contributors with responsibility for the financial and other information to be provided therein and to Bond Counsel, Disclosure Counsel, and the Municipal Advisor, as appropriate.

The Working Group shall consult with Contributors and other appropriate City staff, and other outside consultants, if necessary, regarding disclosures in the investor presentation. The Working Group shall review, revise, and comment on initial and subsequent drafts of the investor presentation.

The Disclosure Coordinator must approve the final version of any investor presentation prior to presentation to investors. Before final approval, the Working Group Coordinator must determine (A) that the material facts described therein are consistent with those known to the Working Group, and that the final version of the investor presentation (1) does not make any untrue statement of a material fact or omit any material fact necessary to make the statements made therein, in the light of the circumstances in which they are made, not misleading, and (2) is accurate and complete in all material respects, and (B), in the case of (1) an investor presentation to potential investors in an offering of municipal securities of the City, that the presentation is limited to information provided in the Offering Document and (2) an investor presentation to investors of outstanding municipal securities of the City, that the presentation is limited to information about the City that is readily available to the public on websites such as EMMA[®] or the City's website.

Approval of an investor presentation shall be evidenced by written sign-off (which may be delivered by e-mail) from each member of the Working Group with responsibility for the disclosure provided in the investor presentation. Upon receipt of sign-off from such Working Group Members, the Working Group Coordinator shall permit the investor presentation to be made to investors. The Working Group Coordinator shall retain the written sign-offs received from members of the Working Group in the records maintained pursuant to these Disclosure Procedures.

H. WEBSITE DISCLOSURE

Whenever the City makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the financial markets, the City is obligated to ensure that such statements and information are complete, true, and accurate in all material respects. See Section D-2 – Public Document Releases and Other Communications.

Routine information and data, including financial, budgetary, and operating data generally made available to the public by a department or office of the City may be posted on the portion of the City's website allocated to that department or office. Posting information to the City's website alone may not be sufficient to comply with the City's Continuing Disclosure Agreements described herein and such information may also be required to be filed on EMMA®. The Working Group Coordinator shall consult with Disclosure Counsel to determine whether disclosure on EMMA® is required.

The City shall include a disclaimer on the City website effectively stating the following:

"No information on the City's website is intended to be the basis of or should be relied upon in making an investment decision. The information on this website is not posted for the purpose of reaching the investing public, including bondholders, rating analysts, investment advisors, or any other members of the investment community. Because each security issued by the City or its related entities may involve different sources of payment and security, you should refer for additional information to the official statement and continuing disclosure filings for the particular security, which can be found on the Municipal Security Rulemaking Board's Electronic Municipal Market Access website: <https://emma.msrb.org/>."

I. TRAINING

1. All members of the Working Group, along with City officials and employees with responsibility for providing, collecting or analyzing information that may be material to the preparation of a Disclosure Document shall attend disclosure training sessions as conducted from time to time. Training materials shall include an overview of these Disclosure Procedures, information on the City's disclosure obligations under applicable federal and state securities laws and such individuals' responsibilities and potential liability regarding preparing, reviewing, or approving the Disclosure Documents. Such training sessions may be conducted by automated online training, in person, or by video.
2. To ensure the relevance and quality of training sessions, training shall be provided through courses and seminars offered by independent professional organizations and associations, including, but not limited to:
 - a. Government Finance Officers Association (GFOA)
 - b. Underwriters
 - c. Bond Counsel
 - d. Disclosure Counsel
 - e. Municipal Advisors
 - f. Other professionals considered experts with respect to disclosure obligations and requirements
3. If there is a question whether a class of employees should receive such training, the determination shall be made by the Director of Finance, or designee, in consultation, if necessary, with the City Attorney's Office. The Finance Department may also require training for a particular employee not otherwise specified.
4. Separate training sessions may be conducted by Disclosure Counsel in conjunction with the City Attorney's Office and the Finance Department for City Council members; provided, however, such training should be undertaken no less than once every three years.

5. Training material shall include any new developments under federal securities laws, or otherwise, with the objective that the City maintains the best practices regarding its disclosure obligations.

J. DOCUMENT RETENTION

1. Bond Transcripts.

- a. Official bond transcripts prepared by Bond Counsel or other such entity, shall be kept by the City Clerk's Office for a period of three years from the date of final maturity of the debt, including any subsequent debt issued to refund the original issuance of debt.
- b. The Finance Department shall maintain an original bond transcript or a copy of the original bond transcript in hard copy or electronic format for the duration that bonds are outstanding, including any subsequent debt issued to refund the original issuance of debt.

Bond Transcripts shall include, at a minimum:

- i. certification provided to the underwriter by a City official that the preliminary official statement is "deemed final" of the securities in accordance with paragraph (b)(1) of Rule 15c2-12;
- ii. bond purchase agreement or official notice of sale, as applicable;
- iii. preliminary and final official statements or private placement memoranda;
- iv. any written certification or opinions executed by a City official or another financing party relating to the debt issuance or disclosure matters, delivered at the time of delivery of the related securities; and
- v. to the extent applicable, all records and documents described in the City's Post Issuance Guidelines required to be maintained as described therein.

2. Documents Other than Bond Transcripts.

- a. Documents other than bond transcripts shall be kept by the Finance Department for a minimum of five years from the date of delivery of the debt.

Documents other than bond transcripts may include, at a minimum:

- i. Disclosure Documents not included in bond transcripts;
- ii. Rating Agency presentations; and
- iii. Investor presentations.

If a document is posted on EMMA®, a copy of the receipt of filing generated by EMMA® shall be kept for a minimum of three years from the date of final maturity of the debt, including any subsequent debt issued to refund the original issuance of debt.

3. Materials Not Retained.

These Disclosure Controls and Procedures shall not require the City to retain after the date of delivery of the related debt the drafts of any of the materials referenced in subsections (1) and (2) above.

K. DISSEMINATION AGENT

The City, upon approval of the Disclosure Coordinator, may elect to appoint a Dissemination Agent in connection with one or more of its undertakings under a Continuing Disclosure Agreement. If appointed, any Dissemination Agent shall have the duties specified in the respective Continuing Disclosure Agreement as well as any other responsibilities agreed to in writing. If the City elects to use a Dissemination Agent, the City agrees that it will enter into a written agreement with the designated Dissemination Agent. The written agreement shall be reviewed by Bond Counsel or Disclosure Counsel and approved by the City Attorney's Office. Such agreement will describe the responsibilities of the parties, including detailed instructions regarding the process for dissemination. The Disclosure Coordinator shall ensure that any Dissemination Agent is provided with a copy of these Disclosure Procedures.

L. INTERNAL USE ONLY

The Disclosure Procedures are intended for the internal use of the City only and are not intended to establish any duties in favor of or rights of any person other than the City. Specific provisions of the Disclosure Procedures may be waived upon the written instructions of the Disclosure Coordinator or City Manager when in the best interest of the City.

These Disclosure Procedures are intended to supplement, not supplant, the City's Debt Management Policy.

M. UPDATES TO DISCLOSURE PROCEDURES

The Disclosure Procedures shall be reviewed annually by City staff, Disclosure Counsel, and other external professionals and consultants, as determined by the Disclosure Coordinator, or his/her designee. Recommended changes shall reflect current compliance requirements and best practices.

The Disclosure Coordinator shall approve and implement changes to these Disclosure Procedures.

APPENDIX A

LISTED EVENTS

SEC Rule 15c2-12 continuing disclosure requirements for issuers.

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on the debt service reserves reflecting financial difficulties;
4. Unscheduled draws on the credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
7. Modifications to the rights of the security holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affects security holders, if material; or
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.