



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 7.1

Meeting Date:

LCAP Goal(s): Family and Community Engagement; Operational Excellence

Documents Attached:

1. Executive Summary
2. Resolution No. 3177
3. District Note Purchase Agreement
4. Indenture State Aid Intercept Notes

Estimated Time of Presentation:

Board of Education Executive Summary

Business Services

Tax Revenue Anticipation Note (TRAN)

December 10, 2020



I. OVERVIEW /HISTORY :

In order to offset the fiscal impact of COVID-19, the State's 2020 Adopted Budget deferred \$12.9 billion in aid to school districts, community colleges and offices of education ("LEAs") expected to be paid in 2021 to 2022. In response to this, California State Treasurer Fiona Ma has created a new Statewide working capital financing program to help LEAs manage the financial impacts of the deferrals. The California School Finance Authority ("CSFA" or the "Authority") was created in 1985 to aid LEAs by providing access to financing for working capital and capital improvements. The goal of the CSFA State Aid Intercept Notes is to provide LEA's with a streamlined and secure process that minimizes the impact of the deferrals on their operations.

The District currently projects that it will experience a cash flow shortfall during fiscal year 2020 created by timing differences between its anticipated expenses and estimated receipt of revenues. The Resolution being presented to the Governing Board authorizes borrowing by the District to address this cash flow shortfall through the issuance of tax and revenue anticipation notes ("TRANS" or "Notes") through the CSFA State Aid Intercept Notes Program.

(a) District Resolution. The resolution authorizes the issuance of the Notes by the District in an amount not to exceed Ninety Six Million Dollars (\$96,000,000), specifies certain basic terms, parameters and form of the District Notes, and approves the form of the Note Purchase Agreement

Board of Education Executive Summary

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Pursuant to the Purchase Agreement, the Authority will agree to buy the District's Note. The conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing and sale of the TRANs, the final execution copy of the Purchase Agreement will be prepared following this form and the District's Authorized Officer will sign the Confirmation of Pricing.

(c) In the event the District is deemed to be a ~~State~~ Credit Issuer, the ~~Co~~ governing Board authorizes the District's Authorized Officer to provide information for a Preliminary Official Statement ("POS").

Board of Education Executive Summary

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Tax Revenue Anticipation Note (TRAN)

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Certifications shall be classified as positive, qualified or negative. This education code section also outlines the role of the County Office of Education.

- x Education Code section 42131(3)(e) directs districts to provide additional reports to the County Office of Education as of June 1st, if a Qualified or Negative Certification is reported as of the Second Interim Report.

II. Goals, Objectives, and Measures:

Follow the timeline, identify all budget reductions and savings, take action to implement such savings as required.

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

RESOLUTION NO. 3177

ACTION ITEM

(PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 53635.7)

SACRAMENTO COUNTY, CALIFORNIA

RESOLUTION OF THE GOVERNING BOARD AUTHORIZING
DISTRICT PARTICIPATION IN THE CALIFORNIA SCHOOL FINANCE
AUTHORITY STATE AID INTERCEPT NOTES (FISCAL YEAR 2020 -21
SCHOOL AND COMMUNITY COLLEGE DISTRICT DEFERRALS)
THROUGH THE ISSUANCE AND SALE OF ONE OR MORE SERIES
OF FISCAL YEAR 2020-

Supervisors of the County (the Board of Supervisors) to notify the District, within 45 calendar days following its receipt of a certified copy of this Resolution, that the District may issue the

form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred herein as the "Note Purchase Agreement" between the District and the Authority, and dated as of the date of the Confirmation of Pricing, applicable to the sale of one or more series of the District's Notes of such Series to be sold simultaneously, a form of which has been submitted to the Board; and

WHEREAS, the Authority will form one or more pools of notes (the "Pooled Authority Notes") of each participating Issuer pursuant to the advice of the Underwriters and the Municipal Advisor, and assign each respective series of notes to a particular pool (the "Pool"); and the Authority may sell a Series of Authority Notes secured by each Pool pursuant to the Indenture, each Series of Pooled Authority Notes distinguished by (i) whether or what type of credit secures such Series of Pooled Authority Notes, (ii) the principal amounts or portions of principal amounts of the notes of such respective series assigned to the Pool, or (iii) other factors, and the District hereby acknowledges and approves the discretion of the Authority, acting upon the advice of the Underwriters and the Municipal Advisor, to assign the District Notes of such respective Series to such Pool and such Indenture as the Authority may determine; and

WHEREAS, it is necessary to engage the services of certain professionals to assist the District in its participation in the CSFA Program;

NOW, THEREFORE, BE IT RESOLVED that the Sacramento City Unified School District Board of Education hereby finds, determines, declares and resolves as follows:

Section 1. Recitals All the above recitals are true and correct and this Board so finds and determines.

Section 2. TRANS Issuance

(A) Initial Series of TRANS The Board hereby determines to borrow, and hereby requests the Board of Supervisors to authorize the District to borrow on its own behalf, in anticipation of the receipt by or accrual to the District during Fiscal Year ~~2020~~ taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for such fiscal year for the general fund, including Deferral Amounts, and, if so indicated in the applicable Confirmation of Pricing, any other fund indicated in such Confirmation of Pricing, and not pursuant to any common plan of financing of the District, by the issuance under the Act, of Notes, designated generally as the District's "Tax and Revenue Anticipation Notes ~~2020-21~~ Series ___" in one or more Series, on ~~an~~ exempt or taxable basis.

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Deferral Amount based on the first principal apportionment) (The "Estimated June Deferral Amount") will be deposited in escrow with the Trustee (the "Escrow Account") until the June Deferral Amount is provided to the Authority, following which time, (i) if the Final June Deferral Amount is equal to or greater than the Estimated June Deferral Amount, the amount in escrow equal to the Estimated June Deferral Amount, taking into consideration investment earnings thereon, will be released to the District for deposit into its general fund; or (ii) if the Final June Deferral Amount is less than the Estimated June Deferral Amount, an amount equal to the difference between the Final June Deferral Amount and the Estimated June Deferral Amount will be transferred to the Payment Account of the District, taking into consideration investment earnings thereon and the remainder will be released to the District for deposit into its general fund. The District will be a "State-Credit Issuer" if repayment of its Series A District Notes are made solely from the Deferral Amounts and the Intercept by the Controller as described herein.

(B) Terms of Series of Notes The Notes of each Series shall be issued in the form of one registered note in the principal amount to be set forth in the Confirmation of Pricing and all such principal amounts aggregating to the principal amount set forth in the Confirmation of Pricing, in each case, to bear a Series designation, to be dated the date of its delivery to the initial purchaser thereof, to mature (without option of prior redemption) not more than thirteen (13) months thereafter on a date indicated on the face thereof and determined in the Confirmation of Pricing applicable to such Series (the "Maturity Date"), and to bear interest, payable at maturity (and, if the maturity is longer than twelve (12) months, an additional interest payment shall be payable within twelve (12) months of the issue date, as determined in the Confirmation of Pricing) and computed upon the basis of a 360-day year consisting of twelve (12) 30-day months, at a rate not to exceed twelve percent (12%) per annum as determined in the Confirmation of Pricing applicable to the Notes of such Series and indicated on the face of such Notes (collectively, the "Note Rate").

If Notes of a Series or the Pooled Authority Notes issued in connection therewith are not fully paid at their Maturity Date, the unpaid portion thereof shall be deemed outstanding and shall continue to bear interest thereafter at the Default Rate (as defined in the Indenture) until paid. In such case, the obligation of the District with respect to such Defaulted Note or unpaid Notes of a Series shall not be a debt or liability of the District prohibited by Article XVI, Section 18 of the California Constitution, and the District shall not be liable thereon except to the extent of the income and revenue provided for Fiscal Year 2020 within the meaning of Article XVI, Section 18 of the California Constitution, as provided in the section herein entitled "Source of Payment".

Both the principal of and interest on the Notes of each Series shall be payable in lawful money of the United States of America, but only upon surrender thereof, at the corporate trust office of the Trustee in San Francisco, California, or as otherwise indicated in the Indenture. The aggregate Principal Amount may, prior to the issuance of any Series, be reduced from the aggregate Principal Amount specified above, at the discretion of the Underwriters upon consultation with the Authorized Officer or, if and to the extent necessary to obtain an approving legal opinion of Norton Rose Fulbright US LLP (Bond Counsel) as to the legality thereof or, if applicable, the exclusion from gross income for federal tax purposes of interest thereon.

In the event the Board of Supervisors of the County authorizes the issuance of the Notes by the District on its own behalf, as provided in Section 53853(b) of the Act, following receipt of this Resolution, this Board hereby authorizes issuance of Notes, in the District's name, in one

Authorized Officer may approve said interest rate or rates and price by execution of the Note Purchase Agreement or the Confirmation of Pricing.

Section 5. Issuance of Additional District Notes The District (or the County on behalf of the District, as applicable) may at any time issue pursuant to this Resolution, one or more Additional District Notes, subject in each case to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Additional District Notes:

(A) The District shall not have issued any TRANs relating to ~~the~~ Fiscal Year 2020-21 except (i) in connection with the CSFA Program under this Resolution, or (ii) notes secured by a pledge of its Unrestricted Revenues (as defined herein) that are subordinate in all respects to the pledge of its Unrestricted Revenues hereunder; and (iii) the District shall be in compliance with all agreements and covenants contained herein; and (iv) no Event of Default shall have occurred and be continuing with respect to any such outstanding previously issued notes or Series of Notes.

(B) The aggregate Principal Amount of Notes issued and at ~~any~~ outstanding hereunder shall not exceed any limit imposed by law, by this Resolution or by any resolution of the Board amending or supplementing this Resolution (each "Supplemental Resolution"). Additional District Notes issued hereunder shall only ~~be~~ issued for the purpose of participating in the CSFA Program through another Series of Notes.

(C) If the Additional District Notes are secured by the Deferral Amounts, such Additional District Notes shall be limited to the remaining Deferral AI (e)4 h2 (e)4 (s)-1 ()3 (e(n)2 (. Tw

Notes; (v) an executed counterpart or duly authenticated copy of the applicable Note Purchase Agreement; (vi) a Confirmation of Pricing relating to the Additional District Notes duly executed by an Authorized Officer (as defined herein); (vii) the Additional District Notes duly executed by the applicable representatives of the District or the County, as provided herein, either in connection with the initial issuance of the Series A District Notes or in connection with any Supplemental Resolution increasing the maximum Principal Amount; and (viii) if the Additional District Notes are to be payable on parity with the District's outstanding Notes, evidence or confirmation that no rating then in effect with respect to any outstanding Notes, series of notes or bonds, as applicable, from a Rating Agency will be withdrawn, reduced, or suspended solely as a result of the issuance of such Additional District Notes.

Section 6. Program Approval The District hereby delegates to the Authority the authority to determine the structure and parameters of the CSFA Program. The Authorized

the execution of a Confirmation of Pricing, any event occurs as a result of which the information contained in the Preliminary Official Statement relating to the District might include an untrue statement of a material fact or omit to state any material fact nece

Notes, net of the District's share of the costs of issuance, shall be deposited in the District's Pr

(B) For District Notes issued in calendar year 2021 and allocated by the Authority to a

(E) The term “TaxExempt” shall mean, with respect to a Series of Authority Notes that the interest to be paid on such Series of Authority Notes is intended to be excluded from the gross income of the holders thereof for federal income tax purposes.

Section 11. Source of Payment

(A) Pledge The term “Unrestricted Revenues” shall mean the taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for Fiscal Year 2020 which will be received by or will accrue to the District during such fiscal year for the general fund, including the Deferral Amounts, and, if so indicated in a Confirmation of Pricing, capital fund and/or special revenue fund (or similarly named fund or funds as indicated in such Confirmation of Pricing) of the District and which are lawfully available for the payment of current expenses and other obligations of the District. As security for the payment of the principal of and interest on all Series of Notes issued hereunder, subject to the payment priority provisions set forth herein and this Section, the District hereby pledges the revenues described below to be received by the District in the periods specified in each Confirmation of Pricing as Repayment Periods (each individual period a Repayment Period and collectively the “Repayment Periods”), in an amount equal to the percentages of the principal and interest due with respect to each Series of Notes at maturity for the corresponding Repayment Period specified in such Confirmation of Pricing (the “Pledged Revenues”):

(1) As a State Credit Issuer, the District hereby pledges its Deferral Amounts.

(2) If an Authorized Officer of the District later determines that the District is not a State Credit Issuer, as indicated in its Confirmation of Pricing, the District hereby pledges the first Unrestricted Revenues to be received by the District.

(B) General Obligation As provided in Section 53857 of the Act, notwithstanding the provisions of Section 53856 of the Act and of subsection (C) below of this Section, all Series of Notes issued hereunder shall be general obligations of the District and, in the event that on the tenth Business Day (as defined in the Indenture) of each such Repayment Period (or such other day of each Repayment Period designated in the Confirmation of Pricing) the District has not received sufficient Deferral Amounts, or Unrestricted Revenues, as applicable, to permit the deposit into each Payment Account of the full amount of Pledged Revenues to be deposited therein from said Deferral Amounts or Unrestricted Revenues, respectively, in a Repayment Period, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of all Series of Notes and the interest thereon, as and when such other moneys are received or are otherwise legally available, in the following order of priority: first, to satisfy pro rata any deficiencies attributable to any Series of Senior Notes; second, to satisfy pro rata any deficiencies attributable to any Series of Subordinate Notes (except for any Series of Subordinate Notes described in the next clause); and thereafter, to satisfy any deficiencies attributable to any other Series of Subordinate Notes that shall have been further subordinated to previously issued Series of Subordinate Notes in the applicable Confirmation of Pricing, in such order of priority. “Senior Notes” means the District’s Series A District Notes and any Additional Series of Senior Notes.

(C) Lien and Charge As provided in Section 53856 of the Act, all ~~Serial~~ Notes

Controller to intercept Pledged Revenues from moneys designated for apportionment to the District for fiscal year 2020-21 ("Funds Subject to Intercept"), and to transfer such amounts to the Trustee for deposit into the Payment Account with a designation to the Trustee of the amounts to be credited for the District. Upon such deposit, such funds will not be available to the District. The District shall provide, or cause to be provided on its behalf, a notice to the State Controller accompanied by a schedule setting forth the dates and amounts of intercepts, together with instructions to whom such funds shall be wired, substantially in the form attached hereto as Exhibit B, and by reference incorporated herein, the blanks in said form to be filled in with appropriate information.

determination of the Repayment Periods and percentages of the principal and interest due with respect to each Series of District Notes at maturity required to be on deposit in the related Payment Account in each Repayment Period, all as specified in the Confirmation of Pricing, by executing and delivering the Confirmation of Pricing, such execution and delivery to be conclusive evidence of approval by this Board and such Authorized Officer.

(G) Application of Moneys in Payment Accounts On any interest payment date (if different from the Maturity Date) and on the Maturity Date of a Series of Notes, moneys in the Payment Account attributed to such Series of Notes shall be transferred by the Trustee, to the extent necessary, to pay, in the case of an interest payment date, the interest, and in the case of the Maturity Date, the principal of and interest with respect to such Series of Notes, subject to the payment priority r4 (c)4 (t (r)5 (4 (c)4 (2 -0 0 12/c)4 (i)-2 (pa)4(eces)-5 (s)4 (t)-3 (a)4 (pprb-1 (on)-12

as applicable, shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee, a fully registered Note of the same Series. For transfer of a Note of a Series, the District, the County or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer, which sum or sums shall be paid by the person requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer.

In the event that the Authorized Officer shall elect to issue the District's Notes within the CSFA Program, such Notes shall be deposited with the Trustee and maintained in trust until their scheduled maturity and payment in full. The District Notes shall not be transferable or assignable by the Trustee while the associated Pooled Authority Notes are outstanding. Notwithstanding the foregoing, in the event that the District Notes should be lost, stolen, destroyed or mutilated prior to their stated maturity, the District shall cause to be issued a new District Note or Notes of the same tenor, term and maturity as the original to replace the same such reasonable terms and conditions, including the payment of costs and the posting of a surety bond, as may from time to time be determined and prescribed by the Authorized Officer in consultation with the Authority.

(A) Subject to Section 7 hereof, the County, the District, the Trustee and their respective successors may deem and treat the person in whose name a Note of a Series is registered as the absolute owner thereof for all purposes, and the County, the District and the Trustee and their respective successors shall not be affected by any notice to the contrary, and payment of or on account of the principal of such Note shall be made only to or upon the order of the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

(B) Any Note of a Series may, in accordance with its terms, be transferred upon the books required to be kept by the Trustee, pursuant to the provisions hereof by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in form approved by the Trustee.

(C) The Trustee or the Authorized Officer of the District, acting separately or together, are authorized to sign any letter or letters of representations which may be required in connection with the delivery of any Series of Pooled Authority Notes to which such Series of District Notes is assigned, if such Series of Pooled Authority Notes are delivered in book form.

(D) The Trustee will keep or cause to be kept in its principal corporate trust office, sufficient books for the registration and transfer of each Note of a Series issued, which shall be open to inspection by the County and the District during regular business hours. Upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, the Notes of a Series presented as hereinbefore provided.

(E) If any Note of a Series shall become mutilated, the County or the District, as applicable, at the expense of the registered owner of such Note of a Series, shall execute, and the Trustee shall thereupon authenticate and deliver a new Note of like tenor, series and number in exchange and substitution for the Note so mutilated, but only upon surrender to the Trustee of the

Note so mutilated. Every mutilated Note so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, the County or the District, as applicable. Any Note of a Series shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the County, the District and the Trustee and, if such evidence be satisfactory to them and indemnity satisfactory to them shall be given, the County or the District, as applicable, at the expense of the registered owner, shall execute, and the Trustee shall thereupon authenticate and deliver a new Note of like tenor, series and number in lieu of and in substitution for the Note, destroyed or stolen (or if any such Note of a Series shall have matured (as of the latest maturity date indicated on the face thereof) or shall be about to mature (as of the latest maturity date indicated on the face thereof), instead of issuing a substitute Note, the Trustee may pay the same without surrender thereof). The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Note issued pursuant to this section.

administrative regulation, court decree, resolution, charter, law or other agreement to which the District is subject or by which it is bound.

(D) Except as may be required under blue sky or other securities law of any state or Section 3(a)(2) of the Securities Act of 1933, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over the District required for the issuance and sale of each Series of Notes or the consummation by the District of the other transactions contemplated by this Resolution except those the District shall obtain or perform prior to or upon the issuance of each Series of Notes.

(E) The District has (or will have prior to the issuance of the first Series of Notes) duly and properly adopted a budget for Fiscal Year 2020 setting forth expected revenues and expenditures and has (or will have prior to the issuance of the first Series of Notes) complied with all statutory and regulatory requirements with respect to the adoption of such budget. The District hereby covenants that it will (i) duly and properly prepare and adopt its revised or final budget for Fiscal Year 2021, (ii) provide to the Authority, the Trustee, the Underwriters and the Municipal Advisor, promptly upon adoption, copies of such revised or final budget and of any subsequent revisions, modifications or amendments thereto and (iii) comply with all applicable law pertaining to its budget.

(F) [FOR TRADITIONAL TRANS NON-STATE CREDIT ISSUERS][The County has experienced an ad valorem property tax collection rate of not less than eighty percent (85%) of the average aggregate amount of ad valorem property taxes levied within the District in each of the five fiscal years from Fiscal Year 2014-15 through Fiscal Year 2018-19, and the District, as of the date of adoption of this Resolution and on the date of issuance of each Series of Notes, reasonably expects the County to have collected and to collect at least fifty percent (85%) of such amount for Fiscal Years [ro38002 Tc](c)6 (o[c 03.89 6 (t in)2 (4TJ -0.004 T5.174 Tw -'T

enjoin the execution, delivery or performance by the District of any of the foregoing, or wherein

(N) So long as any Series of Pooled Authority Notes executed or issued in connection with a Series of District Notes are Outstanding, the District will not create or suffer to be created any pledge of or lien on such Series of District Notes other than the pledge and lien of the Indenture.

(O) As of the date of adoption of this Resolution, based on the most recent report prepared by the Superintendent of Public Instruction of the State of California, the District has disclosed in writing to the Underwriters, that it has a negative certification applicable to the fiscal year ending June 30, 2020 ("Fiscal Year 201920") and will disclose in writing to the Underwriters any negative or qualified certification applicable to the fiscal year ending June 30, 2021 ("Fiscal Year 202021") (within the meaning of Section 42133 of the California Education Code). The District covenants that it will immediately deliver a written notice to the Authority, the Underwriters, the Municipal Advisor, and Bond Counsel if it files with the County Superintendent of Schools, the County Board of Education or the State Superintendent of Public Instruction or receives from the County Superintendent of Schools or the State Superintendent of Public Instruction a qualified or negative certification applicable to Fiscal Year 2019-2020 or Fiscal Year 2020-21 prior to the respective Closing Date referenced in each Confirmation of Pricing or the Maturity Date of each Series of Notes.

(P) The District will maintain a positive general fund balance in Fiscal Year-2020

(Q) The District will maintain an investment policy consistent with the policy set forth above.

(R) The District covenants to maintain a positive general fund balance in Fiscal Year-2020

rebate consultant, segregate and set aside from lawfully available sources the amount such calculations may indicate may be required to be paid to the United States Treasury, and shall otherwise at all times do and perform all acts and things necessary and within its power and authority, includin

District based on the District's cashflows. The District agrees to pay or reimburse CSFA for such allocable share of CSFA's arbitrage rebate liability and CSFA's expense associated with the calculation of arbitrage rebate liability

(G) The covenants contained in this Section shall survive the payment of all Series of the Notes.

Section 17. Events of Default and Remedies

If any of the following events occurs, it is hereby defined as and declared to be and to const (F)2 (A)-2 dutmm

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(2) Take whatever other action at law or in equity (except for acceleration of

Notwithstanding any other provision of this Resolution, the terms of this Section shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any Series of Senior Notes is rescinded, annulled or must otherwise be returned by any holder of Series of Senior Notes or such holder's representative, upon the insolvency, bankruptcy or reorganization of the District or otherwise, all as though such payment has not been made.

The terms of this Section, the subordination effected hereby and the rights of the holders of the Series of Senior Notes shall not be affected by any amendment of or addition or supplement to any Series of Senior Notes or any instrument or agna)

- c. Unscheduled draws on credit enhancements reflecting financial difficulties;
- d. Substitution of credit or liquidity providers, or their failure to perform;
- e.

(2) The undertaking, as amended or taking into account such waiver, would in the opinion of nationally recognized bond counsel, have co

**EXHIBIT A
FORM OF NOTE**

R-1

\$ _____

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

COUNTY OF SACRAMENTO, CALIFORNIA

2020-2021 TAX AND REVENUE ANTICIPATION NOTE SERIES ____

Date of
Original Issue

REGISTERED OWNER U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

SERIES PRINCIPAL AMOUNT: _____ DOLLARS

	Interest Rate		Maturity Date	
	____%		_____, 2021	
First Repayment Period	Second Repayment Period	Third Repayment Period	Fourth Repayment Period	Fifth Repayment Period
[__% of total] [\$_____] [principal][interest]	[__% of total] [\$_____] [principal][interest]	[__% of total] [\$_____] [principal][interest]	[__% of total] [\$_____] [principal][interest]	[__% of total] [\$_____] [principal][interest]
[principal and interest] due at maturity	[principal and interest] due at maturity	[principal and interest] due at maturity	[principal and interest] due at maturity	[principal and interest] due at maturity

FOR VALUE RECEIVED, the District/County Office of Education designated above (the "District"), located in the County designated above (the "County"), acknowledges itself indebted to and promises to pay on the maturity date specified above to the registered owner identified above, or registered assigns, the principal amount specified above, together with interest thereon from the date hereof until the principal amount shall have been paid, payable [on _____ 1, 20 and] on the maturity date specified above in lawful money of the United States of America, at the rate of interest specified above (the "Note Rate"). Principal of and interest on this Note are payable in such currency of the United States as at the time of (ee)4 (d pr)3 (om)-")nre Un Stered-2 (og)1

This Note is transferable, as provided by the Resolution, only upon the books of the District kept at the office of the Trustee, by the registered owner hereof in person or by its duly authorized attorney, upon surrender of this Note for transfer at the office of the Trustee, duly ~~and~~ accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the registered owner hereof or its duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, a fully registered Note will be issued to the designated transferee or transferees.

The [County, the] District and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receipt of or on account of principal hereof and interest due hereon and for all other purposes, and [the County,] the District and the

or amount of the Participant's Deferral Amounts (as defined in the MOU) during any Repayment Period.

3. The Participant hereby represents and certifies that all of the payments described in Schedule I hereto, summarized as the Total Intercept, are being made in support of the Participant's working capital loan from the Authority, evidenced by its District Notes, in accordance with Section 17199.4(a) of the Education Code, that the amount stated as the Total Intercept is not in excess of the actual payment obligations due under the District Notes, and that it is not submitting this notice for the purpose of accelerating the Participant's receipt of apportionments under Section 42238.02 of the Education Code, as required under Section 17199.4(d) of the Education Code. These representations and certifications extend to the terms of any revised Schedule I provided to the Controller under Section 2 hereof.

4. Transfers pursuant to Section 1 above shall be paid by wire transfer of immediately available funds to:

Bank: U.S. Bank, N.A.
ABA#: 091000022
FBO: U.S. Bank Trust National Association
Account #: 180121167365
Reference: CSFA 202021 TRANS

[Remainder of page intentionally left blank]

District: Sacramento City Unified School District

Address: 5735 47th Avenue
Sacramento, CA 95824

County: Sacramento

Executed and entered into on the Date set forth on Page 1 of the District's "NOTICE TO THE STATE CONTROLLER PURSUANT TO EDUCATION CODE SECTION 17199.4" attached hereto and incorporated herein.

Sacramento City Unified School District

By: _____

Name: Rose Ramos

Title: Chief Business Officer

[Signature Page to Intercept Notice]

[Notice to the State Controller Pursuant to Education Code Section 17199.4]

Schedule I

Intercept Payment Amounts and Repayment Periods

<u>Repayment Periods</u>	<u>Payment Amounts</u>
------------------------------	----------------------------

Total

EXHIBIT B
(Continued)
EFT FORM

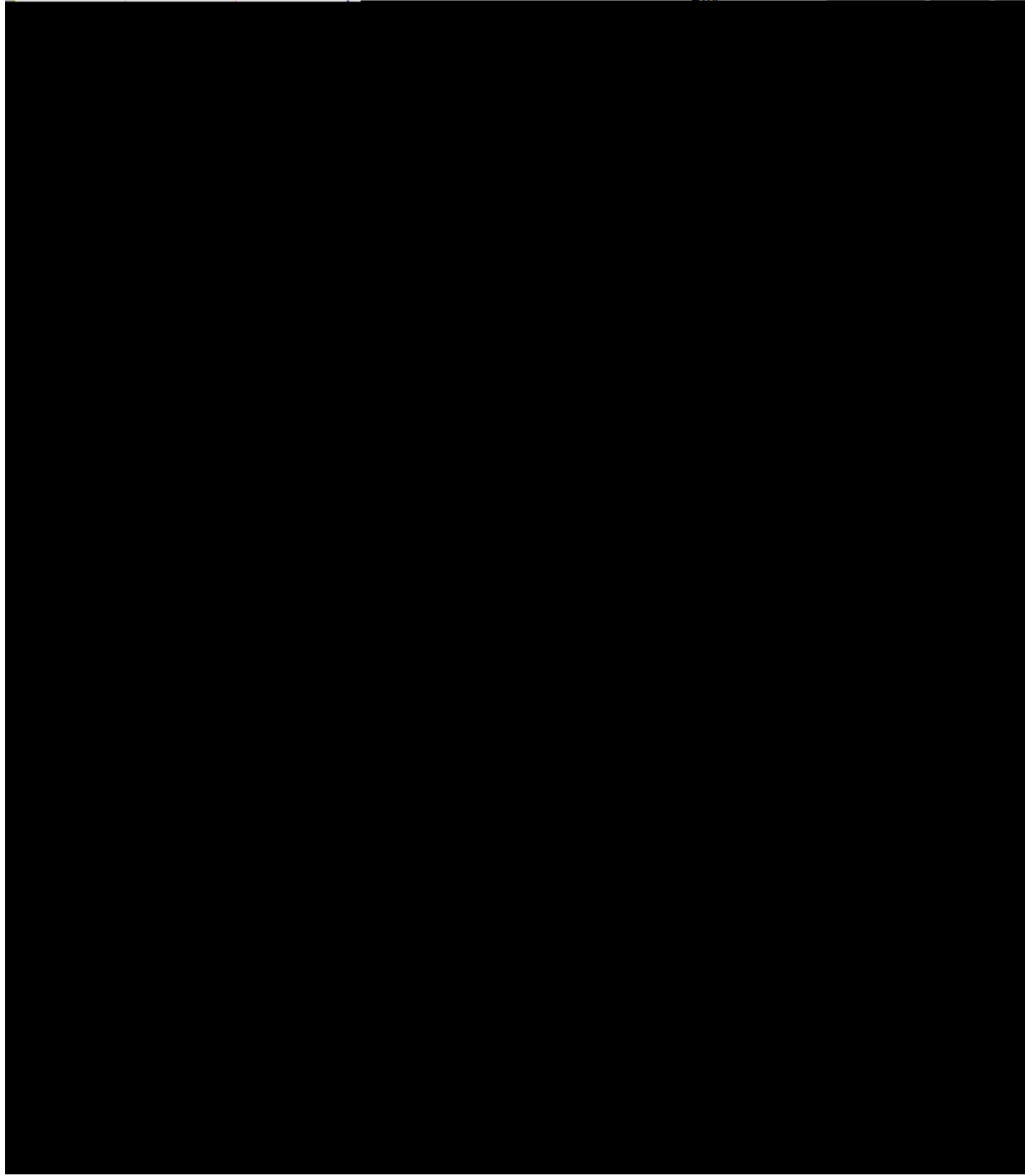


EXHIBIT C

DISTRICT INFORMATION TO BE PROVIDED FOR PRELIMINARY OFFICIAL STATEMENT

*In the event the District is determined to be a Non State Credit Issuer, or if the District has District Senior Existing Indebtedness, the District may be asked to provide the following information for inclusion with the form of Preliminary Official Statement:

- x Name of District
- x Location by city or cities and county
- x Number and type of schools operated
- x Current approximate ADA/FTES
- x Chart of Second Period ADA or FTES during the current (estimated) and past four years
- x Statement as to Positive, Qualified or Negative Certificate from County Office of Education (K12s only)
- x Names and numbers of members of each bargaining unit and status regarding term of current contract or negotiations
- x General Fund balance sheets, with audited numbers for Fiscal Years ~~192018~~ audited (or audited, if available) for 201~~20~~ and budgeted numbers for Fiscal Year ~~2020~~
- x Other Post Employment Benefits (OPEB): describe premiums paid for retirees, eligibility for retirement among employee groups, and total number of retirees currently receiving OPEB.
- x Chart of outstanding long term debt as of June 30, 2020 (or most current available)
- x Sources of alternate liquidity
- x Cash Flows for 201~~20~~ and projections for 202~~01~~

RESOLUTION CERTIFICATE

I, Jorge A. Aguilar, J.D., Superintendent and Secretary of the Board of Education of Sacramento City Unified School District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Governing Board of the Sacramento City Unified School District duly and regularly held at the regular meeting place thereof on the 16th day of December, 2020, of which meeting all of the members of said Governing Board had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

Jessie Ryan:	_____	Aye	_____	No	_____	Abstain	_____	Absent
Christina Pritchett:	_____	Aye	_____	No	_____	Abstain	_____	Absent
Michael Minnick:	_____	Aye	_____	No	_____	Abstain	_____	Absent
Lisa Murawski:	_____	Aye	_____	No	_____	Abstain	_____	Absent
				No	_____	Abstain	_____	Absent
Darrel Woo:	_____	Aye	_____	No	_____	Abstain	_____	Absent

An agenda of said meeting was posted at least 72 hours before said meeting at 5705 47th Avenue, resolution adopted at said meeting and entered in said minutes; and said resolution has not been amended, modified or rescinded since the date of its adoption, and same is now in full force and effect. The Maximum Amount of Borrowing specified in the foregoing resolution is \$96,000,000.

Dated: December 16, 2020

Jorge A. Aguilar, J.D.
Superintendent and Secretary of the Board of
Education of Sacramento City Unified School
District

IN WITNESS WHEREOF, the governing board of the District has caused this Note to be executed by the manual or facsimile signature of a duly authorized officer of the District and countersigned by the manual or facsimile signature of its duly authorized officer as of the date of authentication set forth below.

Sacramento City Unified School District

By _____
Name: Jessie Ryan
Title: President of the Board of Education

Countersigned

By _____
Jorge A. Aguilar, J.D.
Title: Superintendent and Secretary of the Board
of Education

The following named persons are duly elected (or appointed), qualified and acting officers of the District presently holding the offices set forth opposite their respective names below and by execution hereof each certifies that the signatures of the other officers hereto are the genuine signatures of such officers (signatures of the officers executing the Note, the other Documents defined herein), Tax Certificate and the Secretary's Certificate attached to the Resolution must appear below):

NAME	OFFICE	SIGNATURE
Jessie Ryan	President	_____
Jorge A. Aguilar J.D.	Superintendent and Secretary of the Board of Education	_____
Rose Ramos	Chief Business Officer	_____
_____	_____	_____

District: Sacramento City Unified School District

Address: 5735 47th Avenue
Sacramento, CA 95824

County: Sacramento

Executed and entered into on the Purchase Date set forth in Schedule I attached hereto and incorporated herein.

Sacramento City Unified School District

By _____

Name: Rose Ramos

Title: Chief Business Officer

FORM OF REQUISITION FROM PROCEEDS ACCOUNT

To: U.S. Bank National Association, as Trustee

From: Sacramento City Unified School District

Dated: March __, 2021

Re: California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-
School and Community College District Deferrals), Series ____ (the "Program")

Requisition No. _____

The undersigned, on behalf of the Sacramento City 2(e) -20.79 -2.15 Td [Sha(F)6(i

5. The information contained herein is true and correct as of ~~the~~ **the** of this Requisition.

6. The representations of the Participant set forth in Section 15 of the Resolution of the Participant, providing for the borrowing of funds for Fiscal Year ~~2020~~ and the issuance and

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3RRO XQGHU WKH FWRQVXLWK LVKH RQRJLHMLHG LQWQV LELW
ZKLFK DVVLJQPHQW KDV EHHQ GHWQH UPG LQFHJ HEW WRIQ \$XWK
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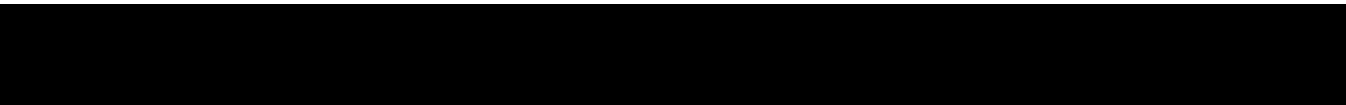
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&RQILUPDWLRQ RI 3ULFLQJ 6XSSOHPHQW G W KM Z BXIQFWKWH'LS
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\$JUHHPHQW DQG 6HFWLRQ RI WQH'W'KWULFWWV DSHVRQXW
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&RGH RI WKH 6WDWH R 6) \$ D \$ E V R D Q G D 8 6W K H \$ 1. 1\$7,21\$ /
\$662&,\$7,21 D Q D W I R V B L E D V L R L Q G X H Q L V W U J Q Q X J H G H D Q G G
RI WKH ODZV RI W R H \$ P L W L F G 6 D D W W V X M W H H WKH 3

: , 7 1 (6 6 (7 +

:+(5(\$6 6HFWLRQseq RI WKH *RYHUQPHQW &RGH R
&DOLIRU Q E W S W R H L 3 G H V W K D W W D [D Q G 7 5 \$ H Y H Q D H E H Q W L V X B C
E \ D V F K R R O G L V V R O L F W H F G R P V X Q L B M R F R L G R R D W R E R S X U V X D C
RI 6HFWLRQ WKH \$ F R M D Q G

:+(5(\$6 WKH \$XWKRUV W D Q D F W B Q L W S / X S R Z H L W X Q G R Q
ODZV RI WKH 6WDWH W R D W & D V L R U H Q L W B V S F H R V L R G R Q H V R L V W R U I
GLVWULFWV FRPPXQLW \ F R O O H J I F D G L V R A Q U Q D V P V I G R U Q F R X Q M G J
ZLWK VXFK RWKHU F R F K R O L O N G I F R O O L E F W R G L Q M M U R F W V H V R I H
P D \ E H L G H Q W L I L H G L Q D 6 X S S O D I P W Q M L S D Q G Q F R H O O M X W H L Y H H
3 D U W L F L S D Q W V W H G Z L W K L Q W K H 6 W D W H E R O U F R Z L Q C H F W H L R Q V Z

:+(5(\$6 WKH 3DUWLFLSDQWV RUHDQXURQJWKKH
)LVFDO <HDU KHUHLQ GHILQH G Q P S V G W R R U E R D U [D E Z H P Q U H D W H
RUGHU WR PHHW WKHLU UHVSHFW E M F W L R Q seq O R Z V Q K H H \$ F W D
D Q G

:+(5(\$6 WKH \$FW SKIRYLGVSHFWKIDYH M V D Q Q I Z K Q E I D W R
3DUWLFLSDQWV D & R X Q R V D Q W F C R O D H E R V D Q W O R D W K L V V X H W D
UHYHQXH DQWLFY S I D W H R Q Q O R W L H S D R O L R O H Q Q W U H T R Q V E H L Q J V F
FRPPXQLW \ F R O O R X Q G L R M I L F W W R H U B E L Q F D W K I H R Q H O V S F I W L Y H
WKH V D W L V I D F R A Q L R Q V R R Q M U D V Q G L Q X F E R H F W K H V B F 6 W H F D Q G Q

:+(5(\$6 WKH %RDUG RI 6XSHUYLV R U M W R K H H U D F L K R D L W
RU GHFOLQH G W R D X W K R U L J H W K H L P V X S H Q L F R G R I V S I K F I L 7 5 \$ C
6HFWLRQ RI WKH \$FW RU L L L Y R W 3 D H W L F H S D Q Y L W H G W
VHULHV RI 75\$1V P D \ E H L V V X H G E D O W K L Q 3 F R U Q V L F F L S D R Q V Z L Q V K

:+(5(\$6 WKH \$XWKRULW\ KDV HVWDEOLVKHGHDJ SU
ZKLFK LW ZLOO HQHURPRUW VRSWWRW SURFHGGV IURP
WKH QRWHV WR VLPXOWDQHRXVO\ SXUFKDVH IURP WKH 3DU

DQG FROOHFWLYHO\ ZLWK WK\$X6WKURULW\$ \$XWKIRULW\ 1RWHV

³\$GGLWLRQDO \$XVPHDQLWDCQW&DVLIRUQLD 6FKRRO)LQD
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WKDQ WKH 6HULHV \$ \$XWKRULW\ 1R1W2KXW VDWXQGRUQLJ HSG UEV XD
,QGHQWXUH DQG D 6XSSOHPHQWDCG ,Q6QYHXUHG DQRP HWHF
FRQQHFWLRQ ZLW&DDBRZQWQ OHHFWLRQ KHUHRI

\$GGLWLRQDO &UHGLWD\$YUWKPHDQJWHHPHQW RU FRPPL

WR WKH \$XWKRULW\ DQ LQVWUXWPHQW \$XLVQKZWLWLQEA VLVVQ 8 6
7UHDVXUHU RU ([HFXWLYH 'LUHFWR WJQ BW HGV KVRU DSHWU VRQQ ED
\$XWKRULW\ E\ ZHLW WQIQV KHG WWRRL WDXW 7UXVWHH

3&KDQJH LQ 6WPDWQV DZFWLRQ E\ WKH 6WDWH QHJLVODW
6HULHV RI \$XWKRULW\ WVKHR WVDWQ ZKGGH GEM WWRU GDWVH XH XS
'HIHUUDO \$PRXQWV DUH WR EH SDLG

3&ORVLQ'JPB WQV >BBBBBBBBBBBB @

3&RGPHDQV WKH ,QWHUQDO 5HYHQXH VXRGHG RRU DSSQG
WKHUHXQGHU

3&RQILUPDWLRQ' RHDQV FLQJOOHFWLYHO\ WKR VH FHU
VXSSOHPHQWV H[HRFXSWHGLQW WDKHKLWEMPHLRWHRV DQW DWWDFK
, WR WKH 'LVWULFWUHRW HQV XUDFSKDWHE BE ORH VL R WUXIEKW 1RW

3&RQWLQXLQJ 'LVFORVPHDQ \$JUFRHOFHFWLYHO\ HDFK &R
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GHOLYHU\ RI WKH HRURUHSVRIQGLQWL QEROMH VH[BEVXRULG DQG D
DPHQGHG RU VXSSORPWQPHHGQI UDFP RULPHDQPH VZKWV HVRK

3&RVWV RI ',PHDQV HDOO LWHPV RI H[SHQVH GRUHFWOV
UHLPEXUVDEOH WR D 3DUWLFLSDQM BXWKRULS]DWK RQLWH[H
GHOLYHU\ RI HDFK 6HULHV RI 'LVWULFW 1RWHV DQG WKH U

³&RXQW\ 7UHDVPHDQRVOKH ORFBQHJRHXGQRHQWHP UHV
&RXQW\ 7UHDVXUHDWWDW IRQYHWWWTFWISHKWRPHG&RXQWLFV

3'HIHUUDO 'ORRQW WKH PRQWKV LQ ZKLFK 'HIHUUDO \$
GLVWULEXWHG EXW GDYHULLQHWKKBH6/SBFWM VDRQ WZHL 6HUL
1RWHV PHDQV WKH PRQWKV RI)HEXDU\ WKURXJK DQG

3'HSDUWPHQV WKH &DOLIRUQLD 'HSDUWPHQW RI (GXF

3'LVVHPLQDWLRQDQW WKH 6WDWH 7UHDVXUHUDVROQJ
\$JHQW XQGHU WKH WHUPV RI DQ\ BSSOLFDXLOWKVRUVRUWH
RU DQ\ VXFFHVVRUHQWVGHPLQDQWLRQ DWZWHWLUJDEXWHU DC
ILOHG ZLWK WKH 6WDWH 7UHDVXUHQDDVZROWWHQ DFFHSWD

3'LVWULFW 1RWH 3XUFRKDDQV\$HDFKPHQWULFW 1RWH 3XU
DQG EHWZHHQ D 3DUWLFLSDQW DFKDWKHE\$XWKR\$XWK BHDV
3DUWLFLSDQW VLVLWMLFWWR1RWH BXUFRBDE \$JUHWHFQWLWV
3XUFRKDVH \$JUHHPHQWV FROOHFWLYHO\

3'LVWULFWPHQWVFRROOHFWLYHO\ WKH 6MULRQD\$ "LVWULFW
1RWHVULFWHFWWWRWRWHVVLQGLFYLGXDOO\

3'7&'RUHSRVLWRU\ 7UXVPHBQFSDQH 'HSRVLWRU\ 7UXVW
<RUN 1HZ <RUN

3(OHFWURQLFKDQW KDYHHWKHRBWXQLQJFWFLRQ KHU

3(VFURZ \$FFRXQW HDFK (VFURZ \$FFRXQW FUHFWLHQ LQ V
G UHODWLRQIWRV WULFWLHRWHV

3(VFURZ)PHDQV WKH IXQGDEIOWKIDHGQDFH/XHDQW WR 6H

3(VFURZ 5HOHDFHDDQW WKH GDWH GHWHUPLQHG E\ WKI
FRPSXWDWLRQ E\ WKKH'HSQDQWQW BDRXQZLWK UHVSHFW V
\$XWKRULW\ 1RWHV PHDQV D\XQ(B0BB,S] DIW

6WDWHV RI \$PHULFD RU REOLJDWLRQ RQ WKH \$D\PHQZK RF KS
LQGLUHFWO\ XQFGLRQVLRQDOKH \$PHULFD 6WDWHV RI

GLUHFWRU REOLJDWLRQV LQFOXGLQJ VWQWS SDJH RREV
LQVWUXPHQWDOLW\ RI WKH 8QLWHG WWDIWSUL RFLSPHO IRRDDV
ZKLFK DUH IXOO\ JXLWDHGWMDWHVWRKH \$PHULFD DQG

UHXQGHG PXQLFLSDWHGE \$L\$DEWLRQV \$\$\$ \$DDLEWFK
ORRG\TV WKH WLPHO\ SD\PHQW RI SKLOFLSDODRWDHIG IEQW
6WDWHV RI \$PHULFD

3) LQDO -XQH 'HIHUUDH \$FRW RMDVLQDO FDOFXODWLRQ E
'HIHUUDO \$PRXQWV IRU WKH -XQH VHFRIHGSDDQFRQDOK ESS
3 LQIRUPDWLRQ

3) LVFDO PHDQV WKH SHULRG IURP -XO\ WKURXJK

3) LWFRHDQV)LWFK 5DWLWVXFCFHVTRQV DQG DVVLJQV

> XQGV 6XEMHFW WIRDQWVWKHSONHGJHG 5HYHQXHV UHS
2WKHU 6WDWH \$LG 6XEMHFW WR \$SSRUWLRQPHQW @

3, QGHQWPHDQV WKLV , QGHQWXUH GDWZGHQVWRKH > DDVFK
DQG WKH \$XWKRULW\ DV RULJLQDDO L M [RFXWHRP DQCP HI QW
DPHQGHG RU VXSSOHPHQWHG LQ DFFRUGDQFH KHUHZLWK

3, QWHUHVW \$FRXQWDFK DFRXQWBEOLKMDHGDQ 6HFWL

3, QWHUHVW 3D\PHDQW 'DDFK 6HULHV \$, QWHUHVW 3D\PHQ
, QWHUHVW 3D\PHQW 'DWH

3, QYHVWPHQW \$PHDQVPHQMOOHFWLYHO\ WKH 6HULHV \$,
DQG HDFK \$GGLWLRQDO , QYHVWPHQW \$JUHHPHQW

30DWXULW\PHDQV WKH GDWH RQ ZKLFK WKMVSULLQV LSPD
EHFRPH GXH DQG SD\DEOH

30RRG\TVPHDQV 0RRG\TV , QYHVWRUV 6HUYLVHH [RFXWVWVWK
LI VXFK FRUSRUDWRQVGRKBOOETKGRDWHG SHUVRDPOWH I`

2SLQLRQ RI' &PXDQWHD ZULWWHQ RSLQLRQ RI 1RWH &RX

>2WKHU 6WDWH \$LG 6XEM'HIFQF 0XRG\$HS/S WUW LFDQPHHJRW LFD
IXQGHG IURP WKH 06W 0WML6 QDRHG)WB DSSRU 3DLRW PFHLSVD C
&RPPXQLW\ &ROOHJH 3DUWLFLSDQW @

32XWVWDQGLQJ

\$Q\ GLUHFWRU RQGLRUIHFW DRJHQFD MWK B HSDUWHFH QW
RI \$PHULFD ZKRVH REOLJDWLRQV WUHS UWHVH B W LWKIG 16VODWIE
RU ZKLFK DRU EDW MGH \$ RU)DWRE \TBK HRYH Z KRQH RI WKHP LV
WKH DSSOLRDE\$XWKRULMW 1RWHV

,QWHUHVW EHDULQJ GHSRVLW DFRXQWVLQ QFGHG
6WDWH FKDUWHUHG VDYLQJV DQGWDRDQ RD V&DRFILDRWLRQVEB
WKH 7UXVWHWKD SURYLWGHGRXEOVLEFK LRPPRUF LDO EDQN RU
ORDQ DVVRFLDWLRQ DUH UDWHG \$LRKHEHWWVRQH ERIOVRIGRTLV
WKH DSSOLRDE\$XWKRULMW 1RWHV

&RPPHUF LDO SDSHU UDWHG LQ WKHEK LWRKHG V WVRBU
6 3 RU ZKLFKHYHU RQH RI WKHP LVHWRIH \$XUWKRLQLJWW KR WDSV

)HGHUDO IXQGV RU EDQNHUV DFFHSM DQFRIVDZLWED Q
ZKLFK DQ XQVHF XUHG XQLQVXUH GJDLQG WKQH XDU B Q WWH HUC WR I
RI ORRG\TV RU 6 3 RU ZKLFKHYHU BQBORIF DEKHP 6VUWKH QR I
1RWHV

8QLWV RI D PRQH\ PDUNHW IXQG SBWWRRQVL RXDRJDSR
E\ WKH IXOO IDLWK DQG FUHGLWWHGWKQH BQHWRHGWKW DWZRV K
FDWHJRULHV EGGRGR\VZKLFKHYHU BQWLRQJWKKHP DSSWK FDE
\$XWKRULW\ 1RWHV

8QLWV RI D PRQH\ PDUNHW IXQG ISRUJ WDRVHLJR WADFXHC
DQG ORRG\TV RU ZKHPKHY MWK RQ HUBVQV 5HWKHBSS \$L F1RWHV

\$Q\ REOLJDWLRQV JZKFLQ DHUWHW K B QVODHHRJD B RQ FL\$ D
XQGHU WKH ODZV RI WKH 6WDWHFRIL QD B VRRHQV SURYH LGRW
E\ WKH)HGHUDO 'HSRVLW ,QVXUDQFKID BDUISRU B WLRQD OOX IE
HQWLWLHV WKH GHEW VHF XULWLHW RR ZMLFK HDUPH ZDLWHK
PRGLILHUV RU RQH RI WKH WZR KLVJH VWRGRQJ DQHG P6 3 D
ZKLFKHYHU RQH RWLQKHW KLV DSSHQFRHQVWKH JARMHAR @ \$ °€0A

\$Q\ RWKHU SUXGHQGV LIQ R Q VWRPIHQ WHLQDZVR DWLH K R V W H
ORRG\ V DQG 6 3 RU ZKLFKHYHU RQ\$OR F DVEIHP 6LHU MKH Q I US
1RWHV DSSURYHG E\ WKH DSSOLFDEOH & U G W W (Q K U R Q E I G W
\$XWKRULW\

7KH /RFDO \$JHQF\ , QYHVWPHQW) X Q G H P D V Q D J H U G R E \ W
6WDWH RI & DOLIRUQLD RU

>)RU QRQ 6WDWH FUHGLW 3DUWL E H S D V W W R L I D D S F S O
LQ ZKLFK WKH 3DUWLFLSDQW LV M L D M X H D W W R G E H W K Q Y S H V R V F H G
WKH LQYHVWPHQW RI VXFK SURFH H G M U E L V W P K D H G B I S L S O I F R O P E S O H
& DOLIRUQLD *RYHUQPHQW & RGH 6HFWLRQ @

3HUV P H D Q V D Q \ L Q G L Y L G X D O F R U S R U D W L R F L D S V L U R V Q H
VWRFN FRPSDQ\ W H Q V R U J Q L D F R I U S C R U P D U Q R Y H U H Q F H Q W S R
VXEGLYLVLRQ RI D Q R M G W Q P W Q W D R M U V R H Y H U

3OHGJH P H D Q V W K H O D V W % X V L Q H V V ' D \ R I H D F K 5 H S D
3OHGJHG 5 H P H D Q M V W K H U H Y H Q X H V S O H G J H G W \ D 3 D
5 H V R O X W L R Q I R U W L K H V S D F M H Q R W R W K L M Q G W U H I O R D W H H G \$ X

3RRO P H D Q V F R O O H F W L Y H O \ W K H 6 H R D H V \$ 3 R R O D Q G I
3RRO , Q W H U P H D Q) X Q G W K H I X Q G E \ W K D W Q D P H H V W D E O L Y
3RRO 3 U L Q F L S D Q) X Q G W K H I X Q G E \ W K D W Q D P H H V W D E O L Y

3UHGHI X O W ' 2 P H D Q D W Z R V K U H V S H F W W R D Q \ H Q G L Y L G)
L W K H U H V S H F W Z M G R V R O W K H W D S S W D F O E Q H H G X L S V O (P K H Q Q F
3 U R Y L G H U X Q G H U W K H F R U U H V S R Q G L Q J \$ 6 M S S O H Q M Q W D Q G &
\$ J U H H P H Q W U H V S H F W L Y H O \ D Q G I D W H W B D W W F D V I H S P Q W E H Z K E R
' L V W U L F W 1 R W H V K D Y H E H H Q D V V L U Q H G R I W \$ X W K R U 3 R V R O 1 R W I
L Q G H P Q L I L F D W L R Q 6 X S S O W K P H D S S O L E D I E I G H L W H G Q W D Q F R Y U L G H U
P D \ E H E \ V X F K U H V S H F W L Y H 3 D V U G I X F L S V R Q W K O H H D S S O S D O C H P I R Q
& U H G L W (Q K D Q F H U D Q G & U H G L W 3 U D Q W L G H L Q G H U V X F I K H U F R / S U
6 X S S O H P H Q W D O & U H G L W (Q K D Q F H P H Q V D \$ J U S S O P L F O W O D H Q G L Q
L Q W H U H V W R Q R Y H U G X H 3 U H G H I D W E W E O D J D W D R Q V L W R L W K
D O O I H H V D Q G H [S H Q V H V R I W K H D S S O F O L U F D E Q Q H & 6 X I S S I O M P 3 H U R V
W K H F R U U H V S R Q G L Q G L W X \$ Q O D I Q F R M D O W & \$ J U G L H P H S Q W H B I E S Q
D S S O L F D E O H W R W K H H [W H Q W W L K H J G X H S U R V R & R W R V D Q R (Y M
X Q G H U W K H U H V S H F W L Y H 3 D U W L F L S D Q W 5 H V R O X W L R Q V

3UHQFLSDO P H D Q V D F K D F F R X Q W E \ W K D W Q D P H H V W I

3UHQFLSDO 2 I I L F H P H D Q V W K H W K H S W H E F L S D O F R U S R U D W H
Z K L F K I R U W K H 7 D S S R M L C H W H G L W H D G X Q Q G H D Q I V D Q F E D W R I & I
S U R Y L G H G W K D W I R U W U D Q V I H U H P K S Q W K R U L S V D \ P I R Q W H V D Q

2IILFH RI WKH 7UXVWHH' VKDOO P8HQ%DIQHN FIDUSLRUDDVOH\$WV
6DQ)UDQFLVFR X&FKOR WRUHQULBRIREHVUSXMFVHLHG E\ WK

3ULQFLSDO 3D\PHQVVDWVKH 6HULHV \$ 3ULQFLSDO 3D
\$GGLWLRQDO 3ULQFLSDO 3D\PHQW 'DWH

3URFHGG'VP)KQGV WKH IXQGEVMDVZODWKEDGPHQ 6HFWLRQ

3URFHGGV' \$FFRQWDFK 3URFHGGV \$FFRXQW FUHDWHQ
6HFWLRQ E ULHODRMLQJWWURLDV6HBRWHV

3URJUDPHDQV WKH &DOLDQFEL\$XWKRROV FIDVDMRVSHG
)LVFDO \HDU 6FKRRO DQG &RFRQVWS&RQDQW 'WRVZ
PRUH 6HULHV RI \$XWKRULW\ 1RWHVWIDUW 3DVVHGLSDQW \$Q
IORZ GHILFLWV

3XUFKDVH \$JUPHDPHQWDFK SXUFKDVH DJUHHPHQW EHW
8QGHUZULWHUV UHODWLQJ WR WKHRIS \$XWKRULWRI 1RKHVD
8QGHUZULWHUV WKUHRI

3DWLQJ \$JHDFQV)LWFK 6 3 DQG ORRG\TV RQUZKWEQHY
WKH DSSOLFDEKXWKRULWVIRWHV LI DQ\

3HEDWH' PHDQV WKH IXQG E\ WKDW QDPH HVWDEOLVKH

3HLPXUVVPHQW PHDQVWLWV UHVSHFW WR DQ LQGLY
1RWHV L WKH UHVSHFWLYH REODQDWLIRQWXIRQJWDK 6HULVSH
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DSSOLFDEOH LQFOXGLQJ ZLWKRGXMAOHLFDLWODWHLGRQLVRVLOLJMDV
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DSSOLFDEOH E\ VXFU UHVSHFWLYH QDWV WLVLSQQWMLPHLGL
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H[SHQVHV RI WKHSSOHPHQWQ&U&GHVLMQKDRFYHGHUQGDV
XQGHU WKH 6XSSOHPHQWDO &UHGLW\$JWKIDQFHPHQWQDW \$DSSQ
H[FOXVLYH RI &RVV RI ,VVXDQFBIVEHUFDPQVHGXW'DIV'DIWXI
UHVSHFWLYH 3DUWLFLSDQW 5HVROXWLRQV

3HOHDVHG (VFURPH\$QRWQWVDPRXQW RQ GHSRVLW LQ HD
LV WKH OHVVHG RXWKH(HVWLDQV\$FRXLOWLQWKH(QFGHSZ \$FF
)LQDO -XQH 'XQWURO \$PRDUWLFLSDQW

3HSD\PHQW' 3KULORQKDYH WKH PHDQLQJ DVFULEHG W
3DUWLFLSDQW 5HVROXWLRQV

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LGHQWLILHG LQ WKH &RQILUPDWHRQ\$RLVWUEE@JVRWHODVLY
6HULHV \$ 3RRO VHFUXULQJ WKH 6HUZKMF\$ \$XHWK\$SULRFHHRGWHR

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37D[([HPSW' 1PHDQW >\$XWKRULW\ 1RWHV WKHEHQWHUH
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37D[DEOH' 1PHDQW >\$XWKRULW\ 1RWHV QRW LVVXHG DV 7

7UXVWHHDQV 86 %DQN 1DWLRQDO \$VVFFLDDWMLRQ G 00
RUJDQL]HG DQG H[LVWLQJ XQGHU DQWHEG 6MDWXHV FRI \$RHU
SULQFLSDO FRUSRUDDQH)WDQVWRRRIDDDQWRHQLEDQN RU WU
LWV SULQFLSDO FRUSRUDWH WUXXEVWILWFXHW 6LEQ EDVDSV
XQGHU WKLW ,QGHQWXUH

6HFWRQQGHQWXUH &RQVFWWXEVHUVJ DWLROWRJID, QGH
\$XWKRULW\QIRWQVLGHUDWLRQ RI WKH SXUFKD VHD BQ G HULFH
WKH \$XWKRULW\ 1RWHV DXWKRULHHE\ WRK FEVHLZ/KR HVK DQCG HKB
IURP WLPH WR WLPH

D WKLW ,QGHQWXUH VKDOO EH GHHPWGDWRW EDPRDQJW
\$XWKRULW\ WKH 7UXVWHH HDFK 6&S\$GHVH3QVRDQGHLWGLQV
IURP WLPH WR WLPHQGLQWKCHURHUVRI \$XWKRULW\ 1RWH

E VXEMHFW WR WKH SURYLVLRQV RI 6HFWRQH 6HUL
3OHGJHG \$FFRXQWRQHQG WKKH KRWKDHQGL QMKHVH, QVGM QVXGUH
D DQG KHUHRI DQG WKH UM OVHWH GR BRVYKH QD QMKV VD QD
SHUIRUPHG E\ DQG RQ EHKDOI RI XDKH \$XQ KUDWLVAOVK B B Q HE
DQG VHFUXLW\ RI WQGH DQZOHU WRK HUBQVUD1HRW \$ \$ XVDQRHDFK 6X
&UHGLW (QKDQFHLLW BQB YHDFK &UHMOG V\$XQVK RURL WKH RWHUVH D
UHJDUGOHVV RI WKH WLPH RU WQ FEHVRR IHV K B DUUDQNK ZLRAK R
SULRULW\ RU GLVWLQFWLRQ RI DQR YHUV B QK B WKLHUV V\$K \$XW
6HULHV \$ \$XWKRULW\ 1RWH VKDOO WR UL WS \$B D B ORE B R DB
PRQH\ V ULJKWV DQG LQWHUHVW \$XMKRHGL WR UI B VYPH QD B H F
DQG KHUHRI DQG

F VXEMHFW WR WKH SURYLVLRQV RIR6HFWWHRSQGGLWER
6HULHV 3OHGJHG \$FFRXQWV DQG WKWVRWVKGHU LPR QVKLVV UQO
6HFWRQ FVLDQGG 6HKHUUHRO DWQ BGVBRQYHQDQHHPHQWV VHV
, QGHQWXUH WR BQG SHUJERHUPHQG BV DQHE \$XVOK B ULWULYKDE\ 6H
IRU WKH HTXDO DQG UDWDEOH EHQZIZQMUSURIVDHFVLRQG DQCG
\$XWKRULW\ 1RWHV RI VXFK 6HULHV BQGGHLDVFK QSQDGLFWILUR QD
\$GGLWLRQDO &UHQJWW3RUXE6H6H UHQDVKRSLGLWVLRQ BV DC
UHJDUGOHVV RI WKH WLPH RU WLPMLHRV WKBDDO EVVXHHRTUXD
SUHIHUHQFH SULRULW\ RU GLVWLQFWLRQ VXFIBQASHJGHVWRYR
\$GGLWLRQDO \$XWKRULW\ 1RWHV RIQDQHSXVDRRUULWULHRVW B Q
VKDOO EH D VSHVLDQ \$XVOKR D WLV B SBRVKEHPRRQ BHO\ ULJKWV
SOHGJHG IRU SD\PHQW RI WKH \$GHLULHRVQIDQD \$XFWKLRQLW\ 1R
KHUHRI

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& 21', 7, 216 \$1' 7(506 2) \$87+25, 7 < 127(6

EHDU LQWHUHVWBBBBSHSDFWHQRQBBSBK 6BDLDE/OS, QWHU
'DWH DQG VKDOODKDWKHWHKRISSD\DESOSURQFW&BIO6BDLPHQW '
VXUUHQGHU RI WKLW6HIRWHV \$\ \$XKHORZQVHU V&KHQFRSDO 211
7UXVWHH

7KH LQWHUHVW SD\DEOH RQ WKH BBSXWH\$ BQWKRWLEW
GD\ \HDU RI WZHO0

RU HDFK &UHGLWFBDEFOYH LGMKH BV DUMSILLS BQWKL VR DJHQW GXO
LQ ZULWLQJ DW DQG KRQGHLOU HCR/BUDIEOJ UFRJXGDWLR BQWL QHV
UHDVRQDEOH SULRU QRWLFH DQG WSRHQ 7SIXM WHHQHWK/DLORO
UHDVRQDEOH UHJXODWLRQV DV LWLBD\WSUDHW H UERU UHF BKV
\$XWKRULW\ 1RWHVKHQ HXQFKE RRRNSU BV KG S GR I 7DQ\ \$ZQHKRUL
PD\ EH SURYHG E\ WKH ERRNV UHTXU V XIGQWR VERH VNKIS VS LER YV
VHFWRLRQ

6HFWLRQ 7HPSRUDU\ \$XWKRULW\ \$XWKRULW\ 1RWHV PD
GHOLYHUHG LQ WHPSRUDU\ IRUP H\FKRQJHDRO BOURU GHULGM
IRU GHOLYHU\ ZKIKRU WHP SRW BU \VQDOR E HISSULHGWANQ V K
EH RI VXFK GHQRPLQDWLRQV DV PDV EDIOGHFMH UQLXIG \EUHWK
DQG VKDOO FRQWDIRQ DQXFKI UWKH USHOFYHIPDLREHV DKSISUHS ULDA
WHP SRUDU\ \$XWKRULW\ WHP SRW BU \VQDOR E HISSULHGWANQ V K
WKH 7UXVWHH XSRQ WKH VDPH FRDGO WWRK W D B S PDHUCPWUD
\$XWKRULW\ 1RWHV ,I WKH \$XWKRULW\ WHP SRW BU \VQDOR E HISSULHGWANQ V K
\$XWKRULW\ 1RWHV LW ZLOO SUHS B B H LDVQ GI B W W K H Z Q W K R D W
WKDW FDVH XSRQ GHPDQG RI WKH 1RZQHWV RIX B Q \GM H FOSLRWLDY
1RWHV VKDOO EH H\FKDQJHG ZLWKR XW \$FRWKR ULRV V X R K H Z
3ULQFLSDO 2IILF X SRIQWKXHU D H X Q M H H S X W K R K U W H P S R W B U D Q
H\FKDQJHG VXFK WHPSRUDU\ \$XWKRULW\ WHP SRW BU \VQDOR E HISSULHGWANQ V K
VHFWRULW\ KHUHXQGHU DV WKH GHIQGL V H O H Y \$ X W H I G R K H W H X
WHP SRUDU\ \$XWKRULW\ 1RWHV VXU RH QV K H L W H G H S X L R Q D Q M D V
E\ WKH 7UXVWHH DQG VKDOO QRW EH UHG HOLYHUHG

6HFWLRQ \$XWKRULW\ 1RWHV 0XWLQDWHG ,H D Q U R \ H
\$XWKRULW\ 1RWH VKDOO EFRPH PXWHL D D Q H G H O L K H U \$ X W K R
VKDOO DXWKHQWLFDW D Q H Z \$ X W K R U H M F K D R W H H B R Q G L N X H W
WKH \$XWKRULW\ 1RWH VR PXWLQDWHG V H X W R R Q V O K H X \$ R Q K R X
PXWLQDWHG DQG HYHU\ PXWLQDWHG H S X W K R W H W \ V K F D O H V E R I
LW ,I DQ\ \$XWKRULW\ 1RWH VKDYLO G H E I F B R R I W W X G F K V O R J R X H G
WKHIW PD\ EH VXEPLWWHG WR WKMDWULXW V F W R D Q V R L I W K X H F
LQGHPQLW\ VDWLVIDFWRU\ WR WKH 7UXVWHH D H X W K R K U W H P S R W B U D Q
QHZ \$XWKRULW\ 1RWH B R W G B H U L I N H D W H G S R U D Q F L S X B I D P R Q Q V X I
WKH GHVWUR\HG ORVW RU VWROH Q T \$ X W K R S D L W H Q W W R H I D K
H\FHHGLQJ WKH DFWXDO FRVW RI B N W S B I Q L V L F B V F I G D H Z G \$ X
XQGHU WKLW VHFWRLRQ DQG RI WKH H L V H X Q G H V U Z W K E K R B I F
UHSODFPHQW \$XWKRULW\ 1RWH H Y L F X W G G B I Q V K L V O L Y F W E
DQG LQ V X E V W L W X W L R Q I R U D Q Q P S X W L K R D W L M G 1 B M H W W U K R D B G
SURSRUWLRQDWHO\ HQWLWOHG\ K R I W K R H Z H Q K I D V O S U R K W H U F S
RI WKH VDPH 6HUGH O L M H H B N V H K H D R X Q G H I H U V K D D G O V Q R H V 7 E H U H
ERWK WKH RULJLQDO \$XWKRULW\ 1RWH D Q G E B D Q Q J U 2 I X S O D W H B R
SXUSRVH RI GHWHULSDLO LQJR XQW B U I S K E F K R P D W \ E H R M \ H I V X W H
GHOLYHUHG KHUHXQGHU RU IRU W K H V S D X J H S R R V H S X R W K R H U L M U
2XWVWDQGLQJ KHWHM R Q G H U L L E D O V E R Q S X W K K I R U H S O D I R H V P H Q K D C
DV RQH DQG WKH VDPH 1RZZLWK LW D Q F L V Q J R D Q \ U B W W K H I W S U
DQG GHOLYHULQJ D Q H Z \$ X W K R U L W O R M R W R U I R U V B O F X Q V \$ B O W W F

FRUUHVSRQGLQJ 3ULQFLSDO 3D\PHQW 'DWH RI ZKLFK KDV R

F ,Q WKH HYHQW WKDW WKH \$XWKRUMWLQ@HHW HV PLQ
EHQHILFLDO RZQHUMRMIHWKH \$XWKRUMWLQ@HHW HV PLQ

QXPEHULQJ GDWHV LQWHUHVW USDOHDOGLSWDEHVRI SDH

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6HFWLRQHOLYHU\ RI \$XWKRULWUXIWRHHV LV KHUHE\

% D VHSDUDWH 3ULQFLSDO \$FFRXQWRURW\HDFW H6VH
DQG

WKH (VFURZ)XQG DQG WKHUHLQ

\$ D VHSDUDWH (VFURZ \$FFRXQW IRUQHDFW H6VH WKH
6HULHV \$ 3RRO ZLWK DQ (VWLPDWHG -XQH 'HIHUUDO \$P

% D VHSDUDWH (VFURZ \$FFRXQW IRUHQDFH \$GRLV
HDFK \$GGLWLRQDO 3RRO

DQG

LI DSSOLFDEOM)XQG DQG WKHUHLQ

\$ D VHSDUDWH &UHGLW \$FFRXQW IRW\HDFW H6VH

E 7KH SURFHGGV UHFHLYHG IURP WKH WDOHDBH WKH
GHSRVLWHG LQWKH LQWRILQDORZLQJ DPRXQWV

&RVWV RI ,VVXDQFH)XQGBBBBBBBB&RVWV RI
,VVXDQFH \$FFRXQW

3URFHGGV)XQG ZLWK GHSRVLVBBBBERFHGGV
\$FFRXQWV DWWULEXWDEOH WR WKH 6HULHV \$
'LVWULFW 1RWHV DVVLJQH WR VHFUXH WKH 6HULHV
\$ \$XWKRULW\ 1RWHV LQ WKH DPRXQWV VHW IRUWK
LQ 6FKHG XOH ,, KHUHW

(VFURZ)XQG ZLWK GHSRVLVBBBBBZ
\$FFRXQWV DWWULEXWDEOH WR WKH 6HULHV \$
'LVWULFW 1RWHV DVVLJQH WR VHFUXH WKH 6HULHV
\$ \$XWKRULW\ 1RWHV LQ WKH DPRXQWV VHW IRUWK
LQ 6FKHG XOH ,,, KHUHW

6HFWLRQVH RI ORQH\ LQ WKH &RVWV RI ,VVXDQFH
3D\PHQW)XQG DQG (VFURZ)XQG

D &RVWV RI ,VVXDQFH)XQG 7KH \$FFRXQW HQFM
&RVWV RI ,VVXDQFH)XQG VKDOO EHHXWHG DDGWZLW&RVWZQ
RI WKH UHODWHG 6HULHV RI \$XWKIRULLWRQRW XESRQDQMF
DWWDFKHG KHUHW DV ([KLELW %XQLEFLSDVH \$GELWRKH \$XW
WRWDO RI DQ\ 5HTXLVLWLRQ H[FHWKH WRWDP RXQW WKH
7UXVWHH VKDOO SURPSWO\ QRWQV DZLH \$XWKRULW\ LQ WKH
\$XWKRULW\

2Q WKH HDUOIEHW RI >@GSRUHRQ XSRQ EBTUHLW &D
\$XWKRULW\ DPRXQW LQ WKH 6HULHV \$FFRXQW DQG Q

WR SD\ LGHQWLILHG &RVWV RI ,VV R DQHFVH VISRUF M K H G6 H Q L ZHVL
0XQLFLSDO \$GYL VHU WRF QXKGL Q U X D W L R Q D W L I D I VR B UD G I S L H Q
7UXVWHH RU DQ\ LGHQWLILHG 3U P G I M D X C E O L 2 I D O L L J R Q W L B Q W
WKH 6HULHV \$ \$XWKRULW\ 1RWHVLWK D I O V E B D M P B I Q W I H X I Q G G
WR WKH 3D\PHQW \$FFRXQWV WKH V M L L Q F D W W R J W E I X W D M E Q L H Q W R
6HULHV \$ \$XWKR B S W U W R B W Q W R L Q M S C H D S F R R X L Q W H G L L Q L W K D I O C H U L
,VVXDQFH \$FFRXQW IURP SURFHGG D R W W L K E X O H D U E L C H V V \$ R S X I V R
DV VHW IRUWK LQ D FHUWLILFDWGH VRR WIKIH O X I Q V F L S H D O \$ G Y L

6HULHV RI \$GGLWLRQDO \$XWKRULHWODRWH5HSD\SPHQRW BHWLF
ZKLFK DUH HTXDO WRIRIWKKHSSHULFCHMSGDHDOB EB WSHDLGV LQ
5HSD\PHQW 3HULRG ZLWK UHVSHFW6MURLHVXFKI 3DVWWLEESD
GHVLJQDWHG RQ WKFWILDYFH 6HULXHWKRVHDSGULFW 1R

RQ WKH WHQWK %XVLQHVV 'D\ RI WOKH WDRVWX 5KSDH
RI 'LVWULFW 1RWHV RI VXFK 3DUWHV LFSIDSGG LRVL RZLDVOK' LVHW
RWKHU GD\ DV VHW IRUWK LQ WKH WKS SSKHH FFROWDIO S, QGGHCO
\$GGLWLRQDO \$XWKRULW\ 1RWHV RUDLS ORLED EORH W BHSDF
'LVWULFW 1RWHVQRQVWDRWHQVFK SRKSDRPHQZLVK UHVSHFW
RI \$GGLWLRQDO 'LVWULFW 1RWHV6XSFCRHWQWIDGDQGHVQWH
WR WKH FRUUHVSRGLWLRQDCHUSHWKRSLOW HFWDO WBRQKH OI
SULQFLSDO RI DQG LQWHUHVW RQ VXFK 6HULHV RI 'LVWUL

RI DQ\ REOLJDWLRQV RU DJUHHPHXQGH B UWWKHU H V\$WHFLWLHY H
5HVROXWLRQV

G (VFURZ)XQG \$OO PRRZH)XQG WKKHCEOV WIK HG A S R V W M H
&ORVLQJ DV GLUHE W MG7K\HW7LHX \$ XWHKRCU ID B O X B WWLDE OIK H (
IRU HDFK 6HULHW RRI' HDW K LFDW W RARHSD G WR DVZ/LVQ HDGQ (VWL
'HIHUUDO \$PRXQW HDFK DQ ³(VFURZ V \$EFWX QRW H 3URFH ISRGV
WKH (VWLDPDWHG -XQH 'HIHUUDO \$PHR XQW X HIRW H V XHGK LQDWURV
\$FFRXQW KHOG E\ WKH 7UXVWHH XQ GWK H QQ WIKH RV HURFZK)XQ
FUHGLWHG WR WKDW(WBURXV\$DEB KQWR/HWK RID S\$OUEB EVOHR W H
VHW IRUWK LQ 6FKHG XOH ,,, KHUHWHRUUBOO \$PWXQW W ZHWK
HDFK VXFK 6HULHV \$ 'LVWULFW 1R WQ WDKHG DSS OLVFEDVHOTX H6Q
,QGHQWXUH ZLWKUHW \$HRW\$GRL WWRK DO 'LVWULFW 1R

7KH DPRXQWV RQ GRZR)XQGH LQK DVKH V M F> Z QX3HWUPHLOV W/H G
,QYHVWPHQWV@ XQWLO WKH (VFURZ Z H5HODMDV HD VDW HW K3U \$ RV
SURYLGH WKH 7UXVW R M ZQV KFDQW W W RZK \$P SXQW DV HRGU (HDF
\$FFRXQW 2Q WKH (VHURZK H5HODMDV W LUD O WIKH QDPH RI WKH 3D
GHSRVLW LQ LWV &RXQW\ 7UHDVXUUR B R \$P R XIQW DS \$OH FDE
UHPDLQLQJ LQ HDFK (VFURZ \$FFRXQDWIR OLO RZQ Q JV WIK O VEHU
E\ WKH 7UXVW H H W R V B K P M Q V \$ V D E R I X S I Q W U W R A Z D D V G V W K H S
6HULHV RI 'LVWULFW 1RWHV DQG LQJF B Q G G HR D X S D W P 2 E Q W L J R
5HLPEXUVHPHQW 2 E O O R D V E R G W R D Q G F K W 3 D U V L F I K S D O O W E H U H
3DUWLFLSDQW DIWHU WKH ODVW GD\ RI WKH ODVW 5HSD\ P

6HFWLRQ&DQFHOOHWLRQ RI 3DDSK'16VWUHFWR I RLWVWU
ZKHQ SDLG LQ IXOO LQFOXGLQJ E6XSSOHPHQWDO &UHGLW 3URYLGHU
&UHGLW 3URYLGHU DV DSSOLFDEOH OD EHS B QIEGHOGLQ BHI
SURYLGHG KRZHYHU WKDW HDFK HHPHGLGR RW VLW DQGE Q/J 1DQV
FDQFHOOHG EXQWKLHO7ULXWVKHH2ZQH QV BHI ULKIR URRLVXNRVSRQK
EHHQ SDLG LQ IXOO ZLWK UHVSHFWR QVGR VLXFW KGH B XIS S CRH P'HE
(QKDQFHU RU &UHGLW 3URYLGHU DIR UD SASKHL FDUEDZL QK D VR B H
PDGH XQGHU WKH 6XSSOHPHQWDO &UHGLW WD (Q B B Q B H P B H Q V H
VXFK 6HULHV RI 'LVWULFW 1RWHVG DSHG PDEOX V BHPHGHWD X D O V J
DQG RZLQJ VXFK 6XSSOHPHQWDO &UHGLW DVS S Q K D D F O H U R U H Q D
6HULHV RI VLWVWKIDFVM ERHQ SDLG

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6HFWLRQ\$VVLJQPHQW RI 'LVWULFW DR W D H V K D Q H G L B W
'LVWULFW 1RWHV OZKHQ Q L N Q W H L G L N K D N O V M B F 3 R R A C R W K H S U R
, QGHQWXUH SHUPLWWLQJ WKH D S S O V F D Q G L R Q W K H H U W R U P R U D
VHW IRUWK LQ WKLV , QGHQWXUH LQ F O X I G H L O D R W K H K S D R W L W I
LQWHUHV RI W K H \$ X W K R R U I D V O W S C H B K G W H E W K H U H R B F D E O \
SOHGJHG DQG WUDQVIHUUH G WRZ V K H V 7 B X W K H H F R R U U W K S I R Q H
\$XWKRULW\ 1RWHV D L Q G W K S S O R B H B V S D Q & U H G U M G L O K B Q R Y
DSSOLFDEOH LL WKH SD\PHQWR R W G V H D K B O X F E H 6 X M L G V R R U
SD\PHQW RI WKH L O V F S I D O V R I R W K H G R S W H R I S B X Q G K Q U L 6 W \ 1 R
UHLPEXUVHPPHQW RI GUDZLQJV XQGHU I B B P S D V P H Q F R V U P H D V S H
6XSSOHPHQWDO &UHGLW (QKDQFHU P H D Q E O H R U D Q G H G L L W H O V F W U
RI 'LVWULFW 1RWHV VKDOO QR WX I G H Q J W G H R S D D F C H Q R W R H \$ X S V
RI D G L I I H U H Q W 6 H U L H V R U U H L P E X U W H (P H K O V F H W R R W K H U B I X S
DV DSSOLFDEOH UHODWLQJ WR D G R I O R U Q J D W 6 H O L R V V R K I S X P
6HULHV RI \$XWKRULW\ 2 R W W H W D Q G L Q J

E 6XEMHFW WR 6HFWLRQ F KHUHRIV WDLQF WS D\ P W K
DVVLJQHG WR D SDUWLFXODU 3RROLVQDHOUEW B S S D Q B G S W I
FRUUHVSRRQLQJ 6HULHV RI \$XWKRULW\ R I R W K H V F R O E O X S I
6XSSOHPHQWDO &UHGLW (QKDQFHU RU &UHGLW 3URYLGHU

F 1RWZLWKVWDQGLQRJQVQRIRWKLHU, QJRUQWLBHD ZDWWLU
WKDW KDV LVVXHG PRUH WKDQ HQW H G W L H R Q F I Q ' L Y Q W H B W V W
RU 3ULQFLSDO 3D\PHQW 'DWH WR B D Q H 6 H U D H G H R L F L V W Q U F L F Z V W
3DUWLFLSDQW DQG WR WKH H [W H Q W L F D Q \ 1 S D V P H Q R V I R Q F I Q \ 3
EHLQJ PDGH IURP PRQH\ V R W K H U W I K D Q U W K W S R W F I H G W K R I 7
DSSRUWLRQ DOO V X F K I S B P H Q V K W 3 W H E M L W R S D Q W R I H O W V ' L V
DFFRUGDQFH ZLWK WKH SULRULW\ S R U R Y X F K B Q U W I H V L S B Q W K
DQG WKH 7UXVWHH VKDOO DSSO\ V X F K W K S R S U M I F R I C H L G J S S D P
UHVSHFW WR HDFK VXFK 6HULHV \ R H Q W V \$ F E R W Q I R V D H W W W O I R E Q H
RI 'LVWULFW 1RWHV RI RQH 3DUW D Q F L S D Q G L V K B W O \ C R R U W L E K G D

XS DQ\ GHILFLHQF\ LQ WKH 3D\PHQWR \$ FLVFXQLWF VD W WWHXW
3DUWLFLSDQW

G \$V VHFVULW\ IRUKWKSHUSQFLSQW RDOO GHLQWHVURIVLV
1RWHV LVVXHG XQGBDUWKFLSSOLFBWZWRXWLKHQ SDXPEHQW
SURYLVLRQV VHW IRUWK WKHUH & QHGHDFK 5BYMQLXH \$ DQWDQDD
WR WKH SHUFHQWDJHV RI WKH SEMQFLSDLOW DQGHUQMVHURHV'
PDWXULW\ IRU WKH FRUUVSRQGLQV & RQDLBFDWLPHURGRV
WR 6HFWLRQ F KHUHRI DQG WKH VDKV LHIQPHQW SWWDLQV
HIIHFWHG E\ WKLV VHFVLRQ VKDODWFRUHVWLVWV WKLH HQB DQ
RI DQG DOO RWKHU ULJKWV XQGHU WKH 'LVWULFW 1RWHV R

ZLWK WKH UHTXLUHPHQWV VHW IRUWKDLG&FHWLRQ &RGH R
WKH SOHGJH FRQWDLQHG LQ LWLSDQWLFDSDQWKSRVJHXWD
WKH 6WDWH &RQWLRQGHGWRHYGQVHUSDFWPIHQIRU DSSRU

LI DQ\ SXUVXDQW WRD VXFKH 6X 5/S QGIRBQW H PHQWU XPUH Q&W HF
5HLPEXUVHPHQW 2EOLJDWLRQV DQGL QUHVGRIDXFQW 6HEJQ HJD R
1RWHV DSSOLFDEOH WR VXFK 3D QDWFV S B Q WH [FDQV/ D PRX Q
FRQVWLWXWH SURFHGGV RI VXFK I6 BQL HDP RX Q WWWGX FVZ LVR M
DQ\ RWKHU 6HULHV RI WKW BDFUWU BQS DQWL PE Q B Q B HQW RE
DQ\ FRUUHVSRRGLQJ 6XSSOHPHQW DQ & DV QLS S Q QKDEQ F H ULRU
ZLWK WKH SULRULWUWSURQLBFRQVLRQDQ GI' R* I VXFK 3D
5HVROXWLRQ DQG DV RWKHUZLVH VHW IRUWK WKHUHLQ

6HFWLRQ UDQVIHU RI ORQH\ IURP WKH \$XWKRULW\ 1
7UXVWHH VKDOO DIWHU WKH 7UXQVWHQW KDWHF Q GWHHQE \UHTFX
KHUHRI WUDQVIHU DPRXQWV IURP DEOH B DQPH QVR QW B B Q Q
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DFFRXQWV LQ WKH PSDURQLG HGG HUB Q Q B WWH F R Q K \ X Q GHV DQG
VKDOO EH GLVEXUS R GHR Q D Q G R L Q B W W K R S U D J H G V X E M H F W W R

D , QWHUHVW \$FFRXQWV LQ WKH 3RRO \$XWKRULW\ 1
7KH 7UXVWHH RQ HDFK ' QWHUHVW Q D Q D W D S Q Q L F D B O R P 3 D \ P H G
WR WKH DSSOLFDEOH , QWHUHVW \$ F F R X Q W W W K D V Q D P B X Q W
DQG SD\DEOH RQ WKH UHODWHG 6HULHV VR B \$ XWHQRW L D W H R \$
HDFK , QWHUHVW \$ F F R X Q W V K D O O E H R X O H G \ D Q G Z L W K S X U D S R
WKH LQWHUHVW RQ 6HULHV RI \$ X W K R S U L F W L Y R W B W R Q H W W H 3 D

E 3RRO 3ULQFLSDO RFRXQWV LQ 3RRO QVLSQ QV KHQGH5HRID \$LVQK RV
1RWHV 7KH 7UXVWHH RQ HDFK 3ULQFLSDO 3DD B HQ D Q \ D W U

3D\PHQW)XQG DWWULEXWDEOH WRRD 6HULHV LRQ \$GSEMHLG
DWWULEXWDEOH WR D 6HULHV RI \$GGYWLWGDOD\$XWKRUEW
6XSSOHPHQWDO ,QGHQWXUH SXUVXODW \$XRVRUEW\WKRWHV

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GHSRVLWHG LQ WKH &UHGLW VESOFH QWRG W UHFRRIU \$X/S R Q GLW\
&UHGLW)XQG

E ([FHSW DV RWKHUZRLYLHG HGS OQFWWISISSDUHPHIVSARDQG &QJ
(QKDQFHPHQW RU &UHGLW ,QVWUXRHOVWLDQGHFWKLERMCH FVM DVF
1RWH RI WKH FRUWHKDSRQGEHQ\$DLGHVWVRD\PHQQWQ'VWUH WKDV
3ULQFLSDO 3D\PHQW 'DWH ILUVW HUSRRVLDVCHG DLYQD WCKHE QHCP
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H[WHQW RI DQ\ GHILFLHQF\ WKHUHLGU VHLFRSQGG I SR V V REQ

SDSD p 3T@p@ GC
VKH 3RRO ÇQW

HUHVW •€ p
\$FFRXQWQWKQRQBLQGGFRSDVOKHILH'p@Fp\O WIKH
PRQH\V

LQWHUHVW GXH RQ VXFK 6HULHV RIG\$XWKRWK W\FRRUHV
6XSSOHPHQWDO &UHGLW (QKDQFHPHWRWSBY&GHHGLW KQVWRU
GUDZQ RU SDLG RQ VXFK 6XSSOHPHQWDOU&PHQWV(KKDOEH
WKH &UHGLW \$FFRSRQGLRQ WKKULFRURH\$XWKRH L&WHGLW)XQ
WR WKH SD\PHQW RI SULQFLSDOIRSXDQGRBLWLQVRMUHV DVRSU
VHFWLRQ H[FHSW WKDW PRQH\3DLIPBQW \$QFBKQWLVQLW K
1RWH 3D\PHQW)XQG FRUUHVSRQGLRQ WRDWXZR XGGLKDYRIES
WR SD\ VXFK SULQFHSWODEQBRW XFKWG UHFLVLRQRUDSD\PHQW
&UHGLW ,QVWUXPHQW RU 6XSSOHPHQWSDDH&UEIGWKH(QKDXQ
UHLPEXUVH VOC

FRUUHVSRQGLQJ 6HULHV RI \$XWKREJLWWR 1RKHMM[WKHQ ZDQV
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2SLQLRQ RI &RXQVHO WR WKH HIIHDXW HWLKDWHVUXIFKV DRPH QGPH
6HULHV RI \$XWKRULW\ 1RWHV WR BHGLHJDOX GDEBHL QDJUS
SURYLGHG WKDW QR VXFK DPHQG FWRWJ VKDROXQ WHRGXS FHLQKH
WKH WLPH RI SD\K HJW SMK MWWR IDZEW6 HRJWHHW RI 'LVWU

HDFK D 37D[&HUWLILFDWH' HDLQ DV ZKURQWVHFRBSWU
FRYHQDQW VKDOO VXUYLYH SD\PHQW LQ IXOO RU GHIHDVDO

VKDOO KDYH Q S R Q L D E L L O L L W M \ R W R U H E Q V W K F H 3 B R W S V K B D S E M W K R U
ZLWK WKH WHUPV RI WKH DSSOLFDEOH 7D[&HUWLILFDWH

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)XQG DQG WR D VSHFLDO DFFRXQW F W D E U H H L Q U E R V U R H V S R V Q I G
WKH 35HEDWH)XQG 6XEDFFRXQW W H E Q W W K U H 7 X I X U W H G H V R L I W K Q
RI VXFK 5HEDWH)XQG 6XEDFFRXQW K B I W H E D W X F \$ P R X S R W L V
\$XWKRULW\ 1RWH Q H W K H D S S O L F D E O H 7 D [& H U W L I L F D W H
&DOFXODWLRQ 'DWH DV GHILQH L Q R W F E M W D S S I O R L F D E F O H W K
\$PRXQW VKDOO EH IXUQLVKHG E\ R H U 7 R U X E W K I D I O U Q R D M F R H U \$ X
DSSOLFDEOH 7D[&HUWLILFDWH

F 7KH 7UXVWHH VKDOO KDYH QR REOGJ V W L R I Q S D R L G S D
DUELWUDJH UHE D W H H S W U R Q D Q W K W R W K H Q D G L I Q R P K F R I Q Q G V D
FUHDWHG XQGHU W R E V R , Q I G H U W R Q H V R U S U W R Y K I H G B G U W R F I L S D C
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G 7KH 7UXVWHH VKDOO LQYHVV DOO D B R X Q W W W K H B O
, Q Y H V W P H Q W V D F F R U G L Q J W R Z U L W W H H Q U L X Q W W H U H F W K I D R O O V C
H D U Q L Q J V F D O F X O D W H F G R E X Q W D Q H Q Q I D O O V R U R U R I V F K I D Q J H V
L Q W R D F F R X Q W D P R U W L J H G G L V F R X S M F W U Y S H C H P I R X P L Q Y B V M
D S D U W L F X O D U 5 H E D W H) X Q G 6 X E D F F R X Q W L Q R V Q R \ V X K B O 5 O H
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H 8SRQ UHFHLSW RI WKH \$XWKRULW\ 1RWH Q H W K H D S S O L F D E O H 7 D [& H U W L I L F D W H
LW LV VR GLUHFWHG WR SD\ E\ W K H D \$ X W K R U L W \ L W R Q W K H 8
\$XWKRULW\ 1RWH <UHDGLWKG VRR Q5VREDDWH H)XFQHG 6X EVDKIF
5HTXLUHPHQWV RI QMLUH \$XWKRULW\ 1RWH Q H W K H D S S O L F D E O H 7 D [& H U W L I L F D W H
RXW RI VXFK 5HEDWH)XQG 6XEDFFRXQW •ADW DuDQG

RU FDXVH WR EH SDLG WR WKH B QLPWKG WGHWHMU B WQW G HD W
\$PRXQWV DV GHVFLUEHGHLDQW & HUDSISILFDWH EXW RQO

GHOD\ RU RPLVVLRQ EH [W KH L7V H V W Q B F W U X I K Q W X S U R Q U B Q \ H
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, I D Q \ D F W L R Q S U R F H H G L Q J R U H V X L W H W R Q H Q I R P U F G \ D Q \ D
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KHUHXQG HU RU E U W I D F Q I R H U H Q Q R G E H D L Q D 3 D K U W K B O S S I E Q W M M R H F W
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WR WKH 2ZQHUV WKHUHRI DV SURYUGRIEOKHIDWLRQDQBIWRKIS
WR H[HUFLVH WKHGUKIPHIGLQVDFRQRVQLQKGI RHOQLHU DSQG VXE
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7KH 7UXVWHH VKDOO KDYH QR UHVSRQDWEROL WAWZLWHK
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\$Q\WKLQJ LQ WKLW FQQWDMUQRWZMYKIOWDQGDQO WQH
OLDEOH IRU VSHFLDO LQGLUHFVGSDJLWIRYHDBU NFROG/HZTK
LQFOXGLQJ EXWQSWROLWVWHGAMQDQWIKHQ 7DGYLWHHG RI WK
VXFK ORVV RU GDPDJH DQG UHJDUGXVHMHRVWVCHOIRBFW REHD
SDUWLHV KHUHWRFK BHHCHQXQWEMHWHXHQEFWHQIWDQGV S
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6HFWLRQ QFODLPHG \$BQWKLQJ FRQWDLQHG KHUHLG
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GHSRVLWHG ZLWK WKH 7UXVWHH DQGLS WKEFGSVE ZKHQ FKHS XL
KDYH EHRPH SD\DEOH VKDOO EHLFLSSDQVGVED WWKH HLUX VWV
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ZLWK UHVSHFW WKH UHWR DQG WKHFZSDHQW WKIROO WOKRNS
LQWHUHVW RQ DEK \$XWQRUSDQ RUVHWR RY WKIDQW DQCG & UHG
DQG DOO 6XSSOH QFQV BQV & V HGV VDSRQBQDIEOHE HV KDOHIHFV
SURYLGHG WKDW HGIWRBHPDNIHQD QJHTXKHSDD B WQ FL SDQWV
VKDOO DV D FKDUJH RQ VXFK IXQQW VJBY \$XQRKRLFLHWE\ 1RDL
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GD\V IROORZLQSUWRKH VDFWLKH ZYUHFQWQRRVLEFHUWHUJIRG
EH JLYHQ SURYLGHG WKDW UHFHL SDW FRIQ DQW LRG KS QR WLC
HIIHFWLYHQHV RI VXFK QRWLFHR DQGHIDKDQOHQVW WHIHFVW
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KHDGLQJV RU WLWDUWLRO HWK BQGE YHFWOR QWDE EH HRRI FRQW
KHUHWK VKDOO EHQRROR UHRU FRDFH DFGWV W B OP Q D Q L Q J
RU HHHFW KHUHRI DQG ZRUGV RI DQV W H B G U W R K I D O F O E G H C
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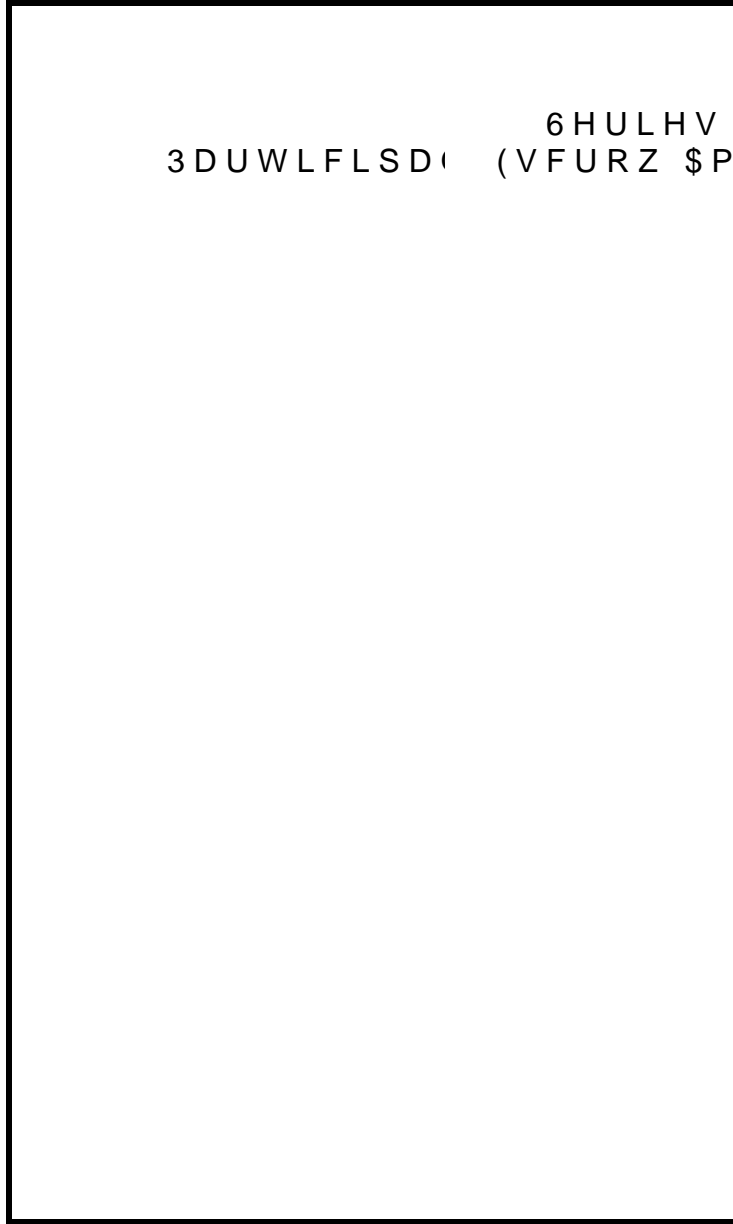
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KHUHRI DVVHQWV DQG DJUHHV E\ DFFHSWDQFH KHUHRI

7KH 6HULHV BBB \$XWKRULW\ 1RWHV DRUHPDKIWKDOLJHGJV
QRWHV LQ GHQRLVDRVLRQGRGRDQLDWHJUDO PRWDVQSOH WK

7KLV 1RWH LV WUKDQVHDEDEHO E\ RWKHHUJKHJUM WIH LHQG S2ZLQ F
KLV DWWRUQH\ GXO\ DXWKRULJHGUIDQZUWVXQW DIML FID LFI SA
RQO\ LQ WKH PDQQHU VXEMHFW WR IWKKIH OFLPD WJHWL SQR YD
, QGHQWXUH DQG XSRQ VXUHQGHUP SDQVILIGV EIRGHHO LRUH FD
H[HFXWHG ZULWWHQ LQVWUXPHQW VR BV \$DQ KRUL VR U 1R[W KIDRQ
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7KH 7UXVWHH PD\ WUHDW WKH UHJWVWRHZQHGU 2KZHUHUR KH
SXUSRVHV ZKHWKHU VKDQQ VE HW RYUWHH V DQDOWKRIW7 EH DI
NQRZOHGJH RU QRWLFH WR WKH FRQVDDQG SDQGSLSIPQRW V
EH PDGH RQO\ WR VXFU UHJLVWHUHS DZKQW VD V KDEOY IE HS U
HIIHFWXDO WR VDWLVI\ DQG GLVFKSUHVHVO KHH G LED EVL KILW YIRV
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D SOHGJH DQG DVVLJQPHQW RI D S\$DOWRRQWKRW7DV[DQGL5H
36HULHV BB 'LVWUHGVE\ 1RWHWDLQ V&DQV MRWQLVDVV FFRPPQQLV
GLVWULFWVIDQG VFRXQHWXRBUHL SDQGMVFXQBHG\ LQ WKH , QG
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5HVROXWLRQV' DQG SD\PHQWV Z\$WRKYUBMSHIFQWKKH UQGMRQ
WR WKH SURYLVLQRQV RI WKH , QGMQW MHRISIRWPRW WLRQVWVHK
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VFKRRO GLVWULFWV GERVEXLQVQVFRDQIBFXFPRULH SDDWLFXOD
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The following language is applicable onto Additional Authority Notes 8 QGHU WKH
, QGHQWXUH WKH \$XWKRULW\ KDV SUBBY LRXW QX MWWWXIDGGR Q
6FKRRO)LQDQFH \$XWKRULW\ 6WDWH \$LG6FKRROFDISQ &RRFH
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ZKLFK DUH SD\DEOUH GURP DDSQGH QHIFD QG DM \$DJOPHQ \$RRO
UHYHQXH DQWLFLSDWLRQ QRWHV GLVWXH GVEV FFRUPDXQQ & DGB
DQG FRXQW\ RIILFW RR UHG \$DDWILF QDODUOK HG HQGH QEHGJH
VXSSOHPHQW WKHUHW VRPH RI ZKURKVRD\VDHFXR LQDYWKH
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WKHUHQGHU LQFVK B LQDWS DUHW DEXFOUWQ VQFGI \$MKRY LVL R Q
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(DFK 3DUWLFLSDQW KDV FHUWLILHIGQ JWK DWT D DWH G FEM
&RQVWLWXWLRQ DQGRD DZDIRR WQHQWQGI WWM SDRWLFLSDQV
H[LVW WR KDYH KDSSHQHG DQG WR DQG YLQ EWHHQ LSHUXIRUPHH C
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DV UHTXLUHG E\ ODZ DQG WKDW KHMU ZLHWK HVO B BBW K MW ULQFC
REOLJDWLRQV RI VXFK 3DUWLFLSDQW HGREHVWKRHW&R [FVHMIGW
RI WKH 6WDWH RI &DOLIRUQLD

,W LV KHUHE\ FHGWLKDHWG DQGDQW EROG DEQVWKRQGL U
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IDFH RI WKH ZLWKLQ \$XWKRULW\ DQRWHUHQV HRO URUS BQQ
DQ\ FKDQJH ZKDWRHYHU DQG WKE\ DLQ HDLXUHOW JXX
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8 6 %DQN 1DWLRQDO \$VVRFLDWLRQ
2QH &DOLIRUQLD 6WUHHW 6XLWH
6DQ)UDQFLVFR &DOLIRUQLD
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5H &DOLIRUQLD 6FKRRO\)LQDQFH \$XG),LQFHDFHSDU1R
6FKRRO DQG &RPPXQLVW&RHHU@OMV 6HULHV >B

5HTXLVLWLRQ 1R BBBB

7KH XQGHUVLJQHGXWKRULJHG RQDGH \$XWKRUL &
>0XQLFLSDO \$GYLVRU@ KHUHE\ SUHWHRQW&RWKLV BHT,XLVLD
WHUP LV GHILQHGXWKRULJHG FHUWDLQ ,@GHWXW &GHQW&GHV
EHWZHHQ 8 6 %DQDWDRQLDQDQ\$XWKRULDQDQF&DQDQFH
WKH ³\$XWKRULWQ ZLLQKFRQDFFD\$WKRULQHGU LLQD BFBQ\$XWKRUL

\$WWDFKHG DV 6WKHIGSDHHLV VUDR PRZK &RVLQYRU F,WWX
KDYH EHHQ UHFHLYHG FRSLHV RIZKL,FK BBN DWWDFKHG\W
PDNH SD\PHQW E\FKHFN RU ZLUH WUDXHWURILWKF FURVSDG
WR VDLG SHUVRQV LQ WKH DPRXQWDPBQDRLVHGHEXWLQRVGL
1RQH RI WKH LWHPV OLVWHG LQ 6BKDQ&OHDFKDYHSEHHVQW
FKDUJH DJDLQV RWWKHRIH,VLVXD BBR\$WVRXQ,WVRXDVQFH &XQG

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7KH UHSUHVHQWDWLRQV RI WKH 3DUWLFLSDQW SURYLGLQJ ERUURJGQWKRI LXRQ
VDOH RI RQH RU PRUH 6HULHV RI LRQ 7DRVHQG VSKHWHQIX
DXWKRUL]LQJ SDUWLFLSDWLRQ LQ WKH RQURDWDHPW WKH 3DUWLFLSDQW
PDWHULDO UHVSHFWV DV WKRXJK PDWR RQ IDG HDVWRH QV
UHSUHVHQW DWRL RQVHWHUODWU GDWH

\$V RI WKH GDWH KHUHRI QR HYHZWL FKD F RQFVX LW H V
(YHQW RI 'HIDXOW XQGHU WKH 3DUWLFLSDQW 5HYHQW RIL RQ
WKH UHTXLUHPHQW WKD DRUQR MPLF H EDISVH RU ERWK

>\$V RI WKH GDWHFKSDQWIKDKHQ8RQW0HGXS HW KQWKH
RI 6FKRROV WKH &RXQW\ %RDUG RI QGHQV VIL RQ ERUL FV KQV6W
KDV QRW UHFHLYHG IURP WKH &RXQW6V6XSHULQSWHUQGMQVGF
,QVWUXFWLRQ DF DWLHQJDS \$ \$LFFHUEVHI WRRUVEVDO <HDU
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WKH FHUWLILFDWR3RQWV6HS GQWHD SWKLRQER6HULHV RI \$XV
ZHUH LVVXHG H[FHSW WKDW LI VXF6W3RQWLFRBDQWHS
6XSHULQWHQGHQW RU 6WDWH 6XSHULQWHQGHQW WRKID3X EOHLS
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