

COSTS OF ISSUANCE CUSTODIAN AGREEMENT

**Relating to 2017 Lease and Sublease Agreement
dated as of October 17, 2017, by and between
Central Unified School District and
Public Property Financing Corporation of California**

This Costs of Issuance Custodian Agreement (this "Agreement") is dated as of October 17, 2017 and is entered into between the Central Unified School District (the "District") and U.S. Bank National Association, as costs of issuance custodian (the "Custodian").

The District hereby appoints the Custodian to act as custodian for the payment of certain costs of issuance relating to the execution and delivery of a Lease and Sublease Agreement dated as of the date hereof (the "Lease Agreement"), by and between the District and Public Property Financing Corporation of California, which provides for the refinancing of certain Prior Lease Payments and Prior Certificates of Participation, as further described therein. This Agreement sets out the terms and conditions of said appointment.

The District and the Custodian agree as follows:

1. The District shall arrange for a portion of the proceeds of the Lease Agreement in the amount of \$163,500.00 to be sent directly by ZB, N.A., through its division known as California Bank and Trust, as assignee of the Lease Agreement, to the Custodian on the date hereof. Upon receipt, the Custodian shall deposit such funds in a custody account (the "Costs of Issuance Fund") established with the Custodian in the name of the District.

2. The Custodian will pay costs of issuance relating to the Lease Agreement as directed by the District from time to time via a written order executed by the Superintendent or President of the Board of the District. Exhibit A hereto constitutes the first such written order and the Custodian is directed to pay such costs. The Custodian is not responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any such written order on behalf of the District or responsible for whether or not any payment so directed to be paid is an authorized cost of issuance.

3. Funds held hereunder shall be the property of the District, subject only to the claims for payment of authorized costs of issuance relating to the Lease Agreement as provided in paragraph 2 hereof. Unless otherwise directed by the District in accordance with Section 4, the Custodian shall hold such funds in cash, uninvested. Any balances remaining in the Costs of Issuance Fund (including any earnings) on December 17, 2017 will be disbursed to the District.

4. The Custodian shall not invest any cash held hereunder in the absence of timely and specific written direction from the District. In no event shall the Custodian be liable for the selection of investments or for investment losses incurred thereon. The Custodian shall have no liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of the District to provide timely

written investment direction. The Custodian may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Agreement. The Custodian may conclusively rely upon such written direction from the District as to both the suitability and legality of the directed investments. The District acknowledges that regulations of the Comptroller of the Currency grant the District the right to receive brokerage confirmations of the security transactions as they occur, at no additional cost. To the extent permitted by law, the District specifically waives compliance with 12 C.F.R. 12 and hereby notifies the Custodian that no brokerage confirmations need be sent relating to the security transactions as they occur.

5. This Agreement will terminate on the earlier of the date when all funds deposited hereunder have been spent, or on December 17, 2017.

6. This Agreement shall be governed by the laws of the State of California.

7. The liability of the Custodian is limited to the duties listed above, and no implied covenants or obligations shall be read into this Agreement against the Custodian. The Custodian will not be liable for any action taken or omitted to be taken by it under this Agreement or in connection herewith except to the extent caused by the Custodian's gross negligence or willful misconduct. Anything in this Agreement to the contrary notwithstanding, in no event shall the Custodian be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Custodian has been advised of the likelihood of such loss or damage and regardless of the form of action.

Executed as of the date first above written.

CENTRAL UNIFIED SCHOOL DISTRICT

By _____
Assistant Superintendent,
Chief Business Officer

Custodian:

U.S. BANK NATIONAL ASSOCIATION

By: _____
Authorized Representative

EXHIBIT A

REQUISITION NO. 1 FROM COSTS OF ISSUANCE FUND

<u>Payee</u>	<u>Purpose</u>	<u>Amount*</u>
Dale Scott & Company, Inc.	Financial Advisor	\$67,268.00
Jones Hall, A Professional Law Corporation	Bond Counsel and Reimbursable Expenses (including CDIAC Fee)	51,500.00
Stifel, Nicolas & Company, Incorporated	Placement Agent	25,000.00
Kutak Rock	Counsel to Placement Agent	6,000.00
U.S. Bank National Association	Escrow Agent and COI Custodian	650.00
Public Property Financing Corporation of California	Non-Profit lessor fee	5,000.00
Stewart Title Guaranty Company	Title Insurance	5,260.50
Causey Demgen	Verification	1,750.00
Total Amounts Paid This Date		\$162,428.50
Amount of Original Deposit		\$163,500.00
Remainder After First Requisition		\$1,071.50

**Invoice presented shall not exceed amount shown.*