



February 28, 2019

Board of Trustees c/o
Kelly Porterfield, Assistant Superintendent, Chief Business Officer
Central Unified School District
4605 North Polk Avenue
Fresno, CA 93722

Re: Renewal of Financial Advisory Services Agreement

Ladies and Gentlemen:

It is our understanding that the Central Unified School District (the "District") wishes to address its capital facility needs by reviewing its current debt profile, placing a general obligation bond measure before voters, issuing general obligation bonds, certificates of participation, refunding bonds/certificates, and/or bond anticipation notes (collectively, the "Bonds"). In connection with this District goal, Dale Scott & Company, Inc. ("DS&C") proposes to renew its agreement to advise and assist the District as its independent financial advisor, as previously set forth in the Agreement for Financial Advisory Services dated September 19, 2008 (the "Agreement") and renewed on March 28, 2014 (the "First Renewal"). The Agreement and First Renewal are attached as Appendix A.

For purposes of renewal, all terms and fees listed in the Agreement will remain the same. The Agreement will be renewed for a period of five years, effective on the date this renewal is signed by an authorized representative of the District. The required MSRB Rule G-10 and G-42 disclosures contained in the attached Appendix B are to be incorporated as an exhibit to the Agreement.

If you agree to this renewal, please sign, date and return this sheet.

Dale Scott & Company

By:

Dale Scott, President

Accepted:

Name:

Title:

Date:



APPENDIX A:
AGREEMENT FOR FINANCIAL ADVISORY SERVICES & FIRST RENEWAL

July 11, 2008

Board of Trustees
c/o Mr. Mike Berg, Assistant Superintendent/Chief Business Officer
Central Unified District
4605 North Polk Ave
Fresno, CA 93722

**Re: Agreement for Financial Advisory Services
General Obligation Bonds**

Ladies and Gentlemen:

It is our understanding that the Central Unified District (the "District") wishes to address its capital needs by placing a general obligation bond (the "Bonds") before the voters and, if approved, issuing said Bonds. In connection with these District goals, Dale Scott & Company, Inc. ("DS&C") proposes to advise and assist the District as its independent financial advisor as set forth below (the "Agreement").

I. Advisory Services Provided

DS&C shall perform all the duties and services it deems necessary or advisable, or are reasonable and necessary, to accomplish the intent of this Agreement in a manner consistent with the standard and practice of professional financial advisors. Specific services shall include:

Planning/Pre-election Consulting

- Review financing plan including alternative amortization schedules of the bonds' principal repayment, alternative total bond issue amounts, alternative repayment plans (e.g. level debt service, ascending debt), alternative scenarios for timetable of bond issuance
- Review impact of alternative bond scenarios on tax rates
- Review recommend proposed bond amount and issuance schedule
- Review ballot language
- Review resolutions prepared by bond counsel
- Advise District as to information to be distributed to public regarding proposed bond issue
- Prepare tax rate statement for ballot
- Prepare argument for ballot and rebuttal (if necessary)

Bond Issuance

- Manage the overall financing process
- Prepare schedule of financing and ensure that all parties take the necessary actions to ensure timely completion of financing
- Size and structure the bond financing to meet district's cash flow needs and tax rate goals
- Provide legal counsel with all information necessary for the preparation of authorizing resolutions and related legal documentation
- Oversee preparation of the Preliminary Official Statement and Official Statement

Sale of Securities

If District chooses to issue Bonds through a competitive bid process:

- Review competitive bid Notice of Sale and Bid Form
- Electronically distribute bid documents to qualified underwriters and post bid documents on DS&C's web site
- Monitor and verify bids on day of sale
- Coordinate award of winning bid

If District chooses to issue Bonds through a negotiated bid process:

- Consult with District as to preferred members of financing team or, if requested by District, manage selection process of underwriting team through written and oral interviews and negotiate all fees
- Review underwriter's proposed structure and make recommendations as appropriate
- Independently gather interest rate information based on recent tax-exempt sales activity
- Review proposed underwriting fees and as well as all other fees make recommendations as appropriate
- Confer with underwriter to discuss sales goals, specific marketing concerns, timing of sale, and condition of the market
- Review pre-pricing and final interest rate scale and make suggested modifications based on competitive market data
- Review final pricing and give District final opinion regarding competitiveness of underwriter's proposed interest rate scale

Post-Sale

- Verify final interest calculations
- Review tax opinion, arbitrage certificate and continuing disclosure certificate
- Manage pre-closing and closing

II. Effective Date, Term and Conditions

This Agreement shall be effective on the date signed by an authorized representative of the District and shall remain in effect until the date of the issuance of the final series of Bonds. However, if no Bonds are issued this contract automatically terminates three years after the date of this Agreement, and all obligations under the Agreement will be deemed terminated. The District agrees that during the term and any subsequent terms of this contract that DS&C shall be the sole financial advisor in relation to the sale of the Bonds and that no additional financial advisors shall be hired by the District for the services described in this Agreement without the written consent of DS&C.

III. Compensation.

All financial advisory fees and expenses are contingent on the sale of the Bonds and, at the discretion of the District, shall be paid from Bond funds. For Planning/Pre-election Consulting Services, the District shall pay DS&C a fee of \$35,000. Said fee shall be payable upon the closing of the first series on Bonds. For each series of Bonds less than or equal to \$10 million, the District shall pay DS&C a fee of \$75,000. For each series of Bonds greater than \$10 million, the District shall pay DS&C a fee of

\$75,000 plus 0.125% of the par amount of Bonds greater than \$10 million. In addition, the District agrees to reimburse DS&C all reasonable and necessary out-of-pocket expenses at their direct cost plus five percent. The payment of all fees and expenses shall be payable upon receipt of an invoice at the closing of the subject financing.

IV. Additional Matters


- a. **Jurisdiction.** It is expressly understood and agreed that this Agreement and all questions arising thereunder shall be construed according to the laws of the State of California.
- b. **DS&C's Duty to Comply with Laws.** DS&C shall, at all times, comply with all laws, statutes, ordinances, rules and regulations applicable thereto, enacted and adopted by federal, state, regional, municipal or other government bodies, departments or offices thereof.
- c. **Discrimination Prohibited.** DS&C agrees not to discriminate in its employment practices against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, age or physical handicap. Any subcontract entered into by DS&C pursuant to this Agreement shall contain this provision.
- d. **Assignment of Agreement.** DS&C shall not assign or hypothecate this Agreement without first obtaining the written approval of the District.
- e. **Independent Contractor.** DS&C are independent contractors and not agents or employees of the District and shall have no authority to act as an agent of the District nor to enter into any agreement for or on behalf of the District except as provided herein.
- f. **Property of District.** All work performed by DS&C pursuant to this Agreement shall become the property of the District, is for the sole use of the District, and shall not be released to any third party without prior written consent of the District.
- g. **Notices.** In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage paid. When so given, such notice shall be effective from the date of mailing of the same. For the purpose hereof, unless otherwise provided by notice in writing from the respective parties notice to the District shall be addressed to the Superintendent of the District. Notice to DS&C shall be addressed to: Dale Scott & Company Inc., 400 Montgomery Street, Suite 805, San Francisco, California, 94104.
- h. **Attorneys' Fees.** If either party brings any action or proceeding to enforce, protect or establish any right or remedy arising out of or based upon this Agreement, including but not limited to the recovery of damages for its breach, the prevailing party in said action or proceeding shall be entitled to recovery of its costs and reasonable attorneys' fees, including the reasonable value of the services of the counsel of the District or the counsel of DS&C.
- i. **Section Headings.** The article and section headings appearing herein shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of this Agreement.
- j. **Entire Agreement.** This Agreement contains the entire understanding of the

parties with respect to the subject matter herein. There are no representations, covenants or understandings other than those expressed or referred to herein. Each party to this Agreement acknowledges that no other party or agent of any other party has made any promise, representation or warranty, expressed or implied, not contained or referred to herein concerning the subject matter of this agreement, to induce that party to execute this agreement. Each party acknowledges that it has not executed this Agreement in reliance upon any promise, representation or warranty not specifically contained or referred to herein.

- k. **Amendments to Agreement.** No amendment or addition to this agreement shall be valid unless such amendment or addition is in writing and signed by all parties hereto.
- l. **Indemnification.** DS&C agrees to defend, indemnify and hold harmless District from and against all demands, claims, actions, liabilities, losses, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of this Agreement, caused in whole or in part by the negligent or intentional acts or omissions of DS&C's officers, directors, agents, employees or subcontractors.
- m. **Payment of Taxes.** DS&C shall be solely responsible for the payment of all taxes associated with any fees paid pursuant to this Agreement.

Dale Scott & Company, Inc.

By:



President

Accepted:

Central Unified District

By:



Title:



Date:





650 CALIFORNIA ST. 8TH FLOOR
SAN FRANCISCO, CA 94108
WWW.DALESCOTT.COM

March 20, 2014

Board of Trustees c/o
Mike Berg, Superintendent
Central Unified School District
4605 N. Polk Ave.
Fresno, CA 93722

**Re: Central Unified School District
Renewal of Financial Advisory Services Agreement**

Ladies and Gentlemen:

It is our understanding that the Central Unified School District (the "District") wishes to address its capital needs by reviewing its current debt profile, placing a general obligation bond before the voters, issuing general obligation bonds, certificates of participation, refunding bonds and/or bond anticipation notes (collectively, the "Bonds"). In connection with this District goal, Dale Scott & Company, Inc. ("DS&C") proposes to renew its agreement to advise and assist the District as its independent financial advisor, as previously set forth in the Agreement for Financial Advisory Services dated September 19, 2008 (the "Agreement"). The Agreement is attached as Appendix A.

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If you agree to this renewal, please sign, date, and return this sheet.

Dale Scott & Company

By:

President

Accepted:

Title: *ASSISTANT Superintendent, CBO*

Date: *3/28/14*



APPENDIX B:

DISCLOSURES REQUIRED UNDER MSRB RULE G-10 AND G-42

Required Disclosures. MSRB Rule G-10 and G-42 require that DS&C provide you with the following disclosures of actual and potential material conflicts of interest, of information regarding certain legal events and disciplinary history, and of information regarding municipal advisory client education and protection.

- 1) Disclosures of Conflicts of Interest. DS&C makes the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under its Agreement with the District, together with explanations of how DS&C addresses or intends to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, DS&C mitigates such conflicts through its adherence to its fiduciary duty to the District, which includes a duty of loyalty to the District in performing all municipal advisory activities for the District. This duty of loyalty obligates DS&C to deal honestly and with the utmost good faith with the District and to act in the District's best interests without regard to DS&C's financial or other interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.
 - a) Compensation-Based Conflicts. The financial advisory fees due under DS&C's agreement with the District are contingent upon the completion of the financing for which DS&C is providing municipal advisory services and may be based on metrics such as refunding savings. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for DS&C to advise the District to complete a financing or to alter the structure of a financing. This conflict of interest is mitigated by our fiduciary obligation to the District as described above. Further, DS&C works closely and carefully with the District to ensure the structure of the financing is appropriate for the District's needs.
 - b) Related Disclosure Relevant to the District. DS&C may have made contributions to bond referendum campaigns or provided in-kind election-related assistance to bond referendum campaigns and the campaigns resulted in voter authorization for an issue under DS&C's agreement with the District. Similarly, DS&C may have made contributions to charitable organizations at the request of personnel of the District. The District may wish to consider any impact such circumstances may have on how it conducts its activities with DS&C under its Agreement.
 - c) Other Municipal Advisor Relationships. DS&C serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to the District under its agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, DS&C could potentially face a conflict of interest arising from these competing client interests.
- 2) Disclosures Regarding Legal Events, Disciplinary History and Client Education and Protection. MSRB Rule G-42 requires that municipal advisors provide to its clients certain disclosures of legal or disciplinary events material to the clients' evaluation of the municipal advisor or the integrity of the municipal advisor's management or personnel. Additionally, MSRB Rule G-10



requires that municipal advisors provide to its clients certain disclosures of education and protection information. Accordingly, DS&C sets out below required disclosures and related information in connection with such disclosures.

- a) Registration. DS&C is registered with the US Securities and Exchange Commission and the MSRB. The website for the MSRB is www.msrb.org.
- b) Client Brochure. A municipal advisory client brochure is available to you on the MSRB website that describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority.
- c) Material Legal or Disciplinary Events. There are no legal or disciplinary events that are material to the District's evaluation of DS&C or the integrity of DS&C's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.
- d) Most Recent Change in Legal or Disciplinary Event Disclosure. As required by the SEC, DS&C regularly updates its Forms MA and MA-I with information pertinent to the firm. In response to item 6(g)(2) on the Form MA-I for Dale Scott, DS&C has filed notice regarding a non-public, fact-finding investigation by the SEC which is currently ongoing.
- e) How to Access Form MA and Form MA-I Filings. DS&C's most recent Form MA and each most recent Form MA-I filed with the SEC are located on the SEC's EDGAR system by searching for "Dale Scott & Co" at:
<https://www.sec.gov/edgar/searchedgar/companysearch.html>