

\$[_____]
CERTIFICATES OF PARTICIPATION
(Fire Station #2) Series 2021
Evidencing the Proportionate Interests of the Owners
Thereof in Lease Payments to be made by the
CITY OF MANHATTAN BEACH
As the Rental for Certain Leased Premises Pursuant to a Lease Agreement with the
Manhattan Beach Capital Improvements Corporation

CONTRACT OF PURCHASE

_____, 2021

Manhattan Beach Capital
Improvements Corporation
Manhattan Beach, California

City of Manhattan Beach
Manhattan Beach, California

Ladies and Gentlemen:

BofA Securities, Inc. (the “Underwriter”) hereby offers to enter into this Contract of Purchase (this “Contract of Purchase”) with the Manhattan Beach Capital Improvements Corporation (the “Corporation”) and the City of Manhattan Beach, California (the “City”), for the purchase by the Underwriter of the Certificates (as defined and described below). The Underwriter is making this offer subject to the acceptance by the Corporation and the City at or before 5:00 P.M., California Time, on the date hereof. If the Corporation and the City accepts this Contract of Purchase, this Contract of Purchase shall be in full force and effect in accordance with its terms and shall bind the Corporation, the City and the Underwriter. The Underwriter may withdraw this Contract of Purchase upon written notice delivered by the Underwriter to the Corporation and the City at any time before the Corporation and the City accepts this Contract of Purchase. Terms used but not otherwise defined in this Contract of Purchase shall have the meanings ascribed to such terms in the Trust Agreement, dated as of February 1, 2013 (the “Original Trust Agreement”), as supplemented by the First Supplement to Trust Agreement, dated as of December 1, 2016 (the “First Supplement”), and the Second Supplement to Trust Agreement, dated as of August 1, 2021 (the “Second Supplement” and, together with the Original Trust Agreement and the First Supplement, the “Trust Agreement”), each by and among the Corporation, the City and U.S. Bank National Association, as trustee (the “Trustee”).

The City and the Corporation, will enter into a Second Amendment to Site and Facilities Lease, dated as of August 1, 2021 (the “Second Amendment to Site and Facilities Lease”), which amends the Site and Facilities Lease, dated as of February 1, 2013 (the “Original Site Lease”), as heretofore amended by the First Amendment to Site and Facilities Lease, dated as of December 1,

2016 (the “First Amendment to Site and Facilities Lease” and, together with the Original Site Lease and the Second Amendment to Site and Facilities Lease, the “Site Lease”) pursuant to which the City leased to the Corporation certain real property and improvements generally consisting of the police department and fire department headquarters facility (the “Leased Premises”).

The Certificates evidence and represent the proportionate interests of the registered owners thereof in Lease Payments to be made by the City as the rental for the use and possession of the Leased Premises to be leased from the Corporation pursuant to the Lease Agreement, dated as of February 1, 2013 (the “Original Lease Agreement”), as amended by the First Amendment to Lease Agreement, dated as of December 1, 2016 (the “First Amendment to Lease Agreement”), and by the Second Amendment to Lease Agreement, dated as of August 1, 2021 (the “Second Amendment to Lease Agreement” and, together with the Original Lease Agreement and the First Amendment to Lease Agreement, the “Lease Agreement”), each by and between the Corporation and the City. Pursuant to the Assignment Agreement, dated as of February 1, 2013 (the “Original Assignment Agreement”), as amended by the First Amendment to Assignment Agreement, dated as of December 1, 2016 (the “First Amendment to Assignment Agreement”), and by the Second Amendment to Assignment Agreement, dated as of August 1, 2021 (the “Second Amendment to Assignment Agreement” and, together with the Original Assignment Agreement and the First Amendment to Assignment Agreement, the “Assignment Agreement”), each by and between the Corporation and the Trustee, the Corporation has and will assign to the Trustee, for the benefit of the owners, its rights under the Lease Agreement.

1. PURCHASE AND SALE.

Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Corporation and the City agree to cause U.S. Bank National Association, as trustee (the “Trustee”) to execute and deliver to the Underwriter, and the Underwriter agrees to purchase, all (but not less than all) of the following certificates: \$[_____] City of Manhattan Beach Certificates of Participation (Fire Station #2) Series 2021 (the “Certificates”) The Certificates shall be purchased at an aggregate purchase price of [\$_____], representing the aggregate principal amount of the Certificates, plus original issue premium in the amount of [\$_____], less an Underwriter’s discount of [\$_____]. The Underwriter intends to make an initial bona fide public offering of the Certificates at a price or prices described in Schedule I hereto; provided, however, the Underwriter reserves the right to change such initial public offering prices as the Underwriter deems necessary or desirable, in its sole discretion, in connection with the marketing of the Certificates (subject to Section 11 with respect to the Certificates), and may offer and sell the Certificates to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by the Underwriter at prices lower than the public offering prices or yields greater than the yields set forth therein.

The City and the Corporation acknowledge and agree that: (i) the Underwriter is not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of the Underwriter, as an underwriter, is to purchase securities, for resale to investors, in an arm’s length commercial transaction between the City, the Corporation and the Underwriter and the Underwriter has financial and other interests that differ from those of

the City and the Corporation; (iii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the City or the Corporation and has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters); (iv) the only obligations the Underwriter has to the City with respect to the transaction contemplated hereby expressly are set forth in this Contract of Purchase; and (v) the City has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

2. DESCRIPTION AND PURPOSE OF THE CERTIFICATES.

The Certificates are being executed and delivered pursuant to the Trust Agreement. The Certificates will evidence and represent the direct, undivided fractional interests of the registered owners thereof in lease payments to be made by the City, as lessee, under the Lease Agreement, by and between the City and the Corporation for the right to the use of certain real property and improvements generally consisting of the police department and fire department headquarters (the “Leased Property”).

The net proceeds of the sale of the Certificates will be used to (i) pay the costs of constructing and equipping a fire station and related improvements (the “2021 Project”); and (ii) pay certain costs of issuance.

The Certificates shall be dated the date of their delivery, shall evidence principal on the dates and shall evidence interest at the rates, and shall be subject to prepayment as set forth in Schedule I hereto, which schedule is hereby incorporated by reference. The Certificates shall be substantially as described in the Official Statement (as hereinafter defined), and shall be executed, delivered and secured under and pursuant to, and shall be payable as provided in, the Trust Agreement.

3. DELIVERY OF THE OFFICIAL STATEMENT AND OTHER DOCUMENTS.

(a) The City and the Corporation have approved and delivered or caused to be delivered to the Underwriter copies of the Preliminary Official Statement dated _____, 2021, which, including the cover page and all appendices thereto, is herein referred to as the “Preliminary Official Statement.” It is acknowledged by the City and the Corporation that the Underwriter may deliver the Preliminary Official Statement and a final Official Statement electronically over the internet and in printed paper form. The City deems the Preliminary Official Statement final as of its date and as of the date hereof for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for any information which is permitted to be omitted therefrom in accordance with paragraph (b)(1) of Rule 15c2-12.

(b) Within seven (7) business days from the date hereof, and in any event not later than two (2) business days before the Closing Date, the City shall deliver or cause to be delivered to the Underwriter a final Official Statement relating to the Certificates dated the date hereof (such Official Statement, including the cover page, and all appendices attached thereto, together with all information previously permitted to have been omitted by Rule 15c2-12 and any

amendments or supplements and statements incorporated by reference therein or attached thereto, as have been approved by the City, Special Counsel (as hereinafter defined), Disclosure Counsel (as hereinafter defined) and the Underwriter, is referred to herein as the “Official Statement”) and such additional conformed copies thereof as the Underwriter may reasonably request in sufficient quantities to comply with Rule 15c2-12, rules of the Municipal Securities Rulemaking Board (“MSRB”) and to meet potential customer requests for copies of the Official Statement. The Underwriter agrees to file a copy of the Official Statement, including any amendments or supplements thereto prepared by the City, with the MSRB on its Electronic Municipal Markets Access (“EMMA”) system. The Official Statement shall be executed by and on behalf of the City by an authorized officer of the City. The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the City shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriter. The City hereby agrees to deliver or cause to be delivered to the Underwriter an electronic copy of the Official Statement in a form that permits the Underwriter to satisfy its obligations under the rules and regulations of the MSRB and the U.S. Securities and Exchange Commission (“SEC”) including in a word-searchable pdf format including any amendments thereto. The City hereby ratifies, confirms and consents to and approves the use and distribution by the Underwriter before the date hereof of the Preliminary Official Statement and hereby authorizes and consents to the use by the Underwriter of the Official Statement, in connection with the public offering and sale of the Certificates.

The City and the Corporation hereby further authorize the Underwriter to use, in connection with the public offering and sale of the Certificates, the following documents: the Trust Agreement, the Site Lease, the Lease Agreement, the Assignment Agreement and the Disclosure Certificate (as hereinafter defined) (the “Certificate Documents”).

(c) In order to assist the Underwriter in complying with Rule 15c2-12, the City will undertake, pursuant to the Continuing Disclosure Certificate, dated the Closing Date (the “Disclosure Certificate”), to provide annual financial information and notices of the occurrence of specified events. A description of the Disclosure Certificate is set forth in, and a form of such agreement is attached as an appendix to, the Preliminary Official Statement and the Official Statement.

4. REPRESENTATIONS OF THE CORPORATION. The Corporation represents to and agrees with the Underwriter that:

(a) The Corporation is a nonprofit public benefit corporation duly organized and validly existing under the laws of the State of California (the “State”) and has, and at the Closing Date, will have, full legal right, power and authority (i) to enter into, execute, deliver and perform its obligations under this Contract of Purchase, the Trust Agreement, the Lease Agreement, the Site Lease and the Assignment Agreement (collectively, the “Corporation Documents”), (ii) to execute and deliver the Certificates to the Underwriter pursuant to the Trust Agreement and as provided herein, and (iii) to carry out, give effect to and consummate the transactions contemplated by the Corporation Documents and the Official Statement. To the best knowledge of the Corporation, each of the Corporation Documents has been executed and delivered, or will be executed and delivered on or before the Closing Date, by each respective

signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect.

(b) The Corporation has complied, and will at the Closing Date be in compliance, in all respects with the Corporation Documents.

(c) The Board of Directors of the Corporation has, by all necessary action of the Corporation, including the adoption of a resolution adopted by the Board of Directors of the Corporation on August [___], 2021 (the “Corporation Resolution”), duly and validly: (i) approved and authorized the execution and delivery of the Corporation Documents, the Certificates and the Official Statement and approved the distribution of the Preliminary Official Statement, and (ii) authorized and approved the performance by the Corporation of its obligations contained in, and the taking of any and all action as may be necessary to carry out, give effect to and consummate the transactions contemplated by, the Corporation Resolution and each of such documents. The Corporation Resolution was duly adopted at a meeting of the Corporation called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(d) Except as described in the Official Statement, to the best knowledge of the Corporation, the Corporation is not in any material respect in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Corporation is a party or is otherwise subject or bound, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Corporation is a party or is otherwise subject or bound, and the performance by the Corporation of its obligations under the Corporation Resolution, the Certificates, the Corporation Documents or any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, will not conflict, in any material way, with or constitute a material breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Corporation is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the Corporation of its obligations under the Corporation Resolution, the Certificates or the Corporation Documents.

(e) To the best of the Corporation’s knowledge, except as may be required under the “blue sky” or other securities laws of any jurisdiction, all approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the Corporation of its obligations under each of the Corporation Documents and the Certificates have been, or as of the Closing Date will have been, obtained by the Corporation.

(f) The information concerning the Corporation contained in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement, as of its date and at all times after the date of the Official Statement up to and including the Closing Date, relating to the Corporation, was, is and will be true, correct and complete in all material respects and did not and does not, and on the Closing Date such information concerning the Corporation will not, contain any untrue statement of a material fact or omit to state any material fact which is necessary to make such statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect.

(g) If after the date of this Contract of Purchase and until twenty-five (25) days after the End of the Underwriting Period (as hereinafter defined), any event shall occur, of which the Corporation has notice, as a result of which it may be necessary to supplement the Official Statement to make the statements therein, in the light of the circumstances existing at such time, not misleading, the Corporation shall immediately notify the City and the Underwriter of any such event of which it has knowledge and, if in the opinion of the Underwriter such event requires an amendment or supplement to the Official Statement, the Corporation will at its own expense, or will cause the City, at its own expense, to amend or supplement the Official Statement in a form and manner jointly approved by the City, the Corporation and the Underwriter so that the statements therein as so amended or supplemented will not be misleading in the light or the circumstances existing at such time and the Corporation will promptly furnish to the Underwriter a reasonable number of copies of such amendment or supplement. As used herein the term "End of the Underwriting Period" means the later of such time as (i) the Corporation delivers the Certificates to the Underwriter, or (ii) the Underwriter does not retain an unsold balance of the Certificates for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the Corporation at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the "End of the Underwriting Period."

(h) No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency or public board or body is pending and notice of which has been served on and received by the Corporation, or, to the best knowledge of the Corporation, threatened against the Corporation in any way affecting the existence of the Corporation or the titles of its officers to their respective offices or seeking to restrain or to enjoin the execution and delivery of the Certificates, the application of the proceeds thereof in accordance with the Corporation Documents, the assignment of the Lease Payments to the Trustee under the Assignment Agreement or in any way contesting or affecting the validity or enforceability of the Certificates, the Corporation Resolution or any action of the Corporation contemplated by any of such documents, or in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or the powers of the Corporation or its authority with respect to the Certificates, the Corporation Resolution, the Corporation Documents or any action of the Corporation contemplated by any of such documents, or which contests the exclusion from gross income for federal income tax purposes of interest paid on the Certificates or the exemption of interest paid on the Certificates from State personal income taxation, or which, if adversely determined, could materially adversely affect the financial position or operating condition of the Corporation or the transactions contemplated by the Official Statement or any of the other

Corporation Documents. The Corporation shall advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Certificates.

(i) The Corporation will apply the proceeds of the Certificates in accordance with the Trust Agreement.

5. REPRESENTATIONS OF THE CITY. The City represents to and agrees with the Underwriter that:

(a) The City is a general law city duly organized and existing under the laws of the State, with full right, power and authority to enter into and perform its duties under this Contract of Purchase, the Trust Agreement, the Lease Agreement, the Site Lease, and the Disclosure Certificate (collectively, the “City Documents”), and, when executed and delivered by the respective parties thereto, the City Documents will constitute the legal, valid and binding obligations of the City enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against cities in the State. To the best knowledge of the City, each of the City Documents has been executed and delivered, or will be executed and delivered on or before the Closing Date, by each respective signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect.

(b) By all necessary official action of the City, prior to or concurrently with the acceptance hereof, including by resolution adopted by the City Council of the City on August [___], 2021 (the “City Resolution”), the City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the City Documents and the consummation by it of all other transactions contemplated by the Official Statement. The City Resolution was duly adopted at a meeting of the City called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(c) The information contained in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement, as of its date and at all times after the date of the Official Statement up to and including the Closing Date, was, is and will be true, correct and complete in all material respects and did not and does not, and on the Closing Date such information will not, contain any untrue statement of a material fact or omit to state any material fact which is necessary to make such statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect (except this representation does not include information under the caption “TAX MATTERS” and in Appendix C – “PROPOSED FORM OF OPINION OF SPECIAL COUNSEL” and information relating to DTC or its book-entry only system,). If the information in the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended) at all times subsequent thereto up to and including the time of the Closing, the Official Statement as so supplemented or amended will be true and correct in all

material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) To the best knowledge of the City, the execution and delivery of the City Documents and compliance with the provisions on the City's part contained herein and therein will not, to any material extent, conflict with or constitute a material breach of or default under the City's duties under said documents or any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, articles, bylaws, agreement or other instrument to which the City is a party or is otherwise subject, which material conflict, breach or default could have a material adverse effect on the ability of the City to perform its obligations under the City Resolution or City Documents, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the City under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, articles, bylaws, agreement or other instrument, except as provided by the City Documents.

(e) Except as described in the Official Statement, to the best knowledge of the City, the City is not in any material respect in breach of or in default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, articles, bylaws, resolution, agreement or other instrument to which the City is a party or is otherwise subject which could have a material adverse effect on the City's ability to perform its obligations under the City Resolution or the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a material default or an event of default under any such instrument.

(f) To the best of the City's knowledge, except as may be required under the "blue sky" or other securities laws of any jurisdiction, all approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the City of its obligations under each of the City Documents and the Certificates have been, or as of the Closing Date will have been, obtained by the City.

(g) The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Certificates for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate and (ii) to determine the eligibility of the Certificates for investment under the laws of such states and other jurisdictions; provided, however, that the City shall not be required to execute a general consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction. It is understood that such "blue sky" registration is the sole responsibility of the Underwriter.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending and notice of which has been served on and received by the City or, to the best knowledge of the City, threatened against the City affecting the existence of the City or challenging the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution or delivery of the Certificates, or in any way contesting or affecting the validity or enforceability of this Contract of Purchase, the City Resolution or the City Documents or contesting the powers of the City or its authority to enter into, adopt or perform its obligations under any of the foregoing, or contesting in any way the completeness, accuracy or fairness of the Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Certificates, the City Resolution or the City Documents, or which, if adversely determined, could materially adversely affect the financial position or operating condition of the City or the transactions contemplated by the Official Statement or any of the other City Documents. The City shall advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Certificates.

(i) Between the date hereof and the time of the Closing, the City shall not, without the prior written consent of the Underwriter, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the City or except for such borrowings as may be described in or contemplated by the Official Statement.

(j) If between the date hereof and the date which is 25 days following the End of the Underwriting Period for the Certificates an event occurs of which the City has knowledge, which might or would cause the information relating to the City contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the City will notify the Corporation and the Underwriter, and if in the reasonable opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to such portions of the Official Statement, the City will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the City.

(k) The Leased Premises and the City's use and enjoyment thereof is essential to City operations and the exceptions set forth in the title insurance policy for the Leased Premises insuring, subject only to Permitted Encumbrances, the fee interest of the City in the Leased Premises, the Corporation's leasehold estate in the Leased Premises under the Site Lease, and the City's subleasehold estate in the Leased Premises under the Lease Agreement, do not materially impair the use of the Leased Premises, the existing facilities and the sites thereof for the purposes for which they are or may reasonably be expected to be held.

(l) The financial statements of, and other financial information regarding, the City contained in the Official Statement fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth.

(m) Since June 30, 2020, no material adverse change has occurred in the financial condition, assets, properties or results of operation of the City which is not described in the Preliminary Official Statement.

(n) As of the Closing Date, no event affecting the City shall have occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(o) Except as described in the Preliminary Official Statement and the Official Statement, the City has not failed to comply in the last five years in any material respect with the terms of any continuing disclosure agreement entered into prior to the date hereof relating to the provision of annual reports or notices of enumerated events in accordance with Rule 15c2-12.

(p) The execution and delivery of this Contract of Purchase by the City shall constitute a representation to the Underwriter that the representations and warranties contained in this Section 5 are true as of the date hereof.

All representations, warranties and agreements of the City shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive the delivery of the Certificates.

6. CLOSING.

At 9:00 A.M., California Time, on _____, 2021, or at such other time or date as the Underwriter, the Corporation and the City may mutually agree upon as the date and time of the closing (the "Closing Date"), the City will deliver or cause to be delivered to the Underwriter, at the offices of Stradling Yocca Carlson & Rauth, A Professional Corporation ("Special Counsel"), 660 Newport Center Drive, Suite 1600, San Francisco, California 92660, or at such other place as the Underwriter, the Corporation and the City may mutually agree upon, the Certificates, through the facilities of DTC, duly executed by the Trustee in accordance with the provisions of the Trust Agreement, and the other documents specified in Section 7. On the Closing Date, (a) upon satisfaction of the conditions herein specified, the Underwriter shall accept the delivery of the Certificates, and pay the purchase price therefor in federal funds payable to the order of the Trustee for the account of the City and the Corporation and (b) the City shall deliver or cause to be delivered the Certificates to the Underwriter through the facilities of DTC in definitive or temporary form, duly executed by the Trustee and in the authorized denominations as specified by the Underwriter on the Closing Date and the City shall deliver or cause to be delivered the other documents hereinafter mentioned. The Certificates shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection.

7. CONDITIONS PRECEDENT.

The obligations of the Underwriter under this Contract of Purchase have been undertaken in reliance on, and shall be subject to (i) the due performance by the City of its obligations and agreements to be performed hereunder, (ii), the accuracy of and compliance with the respective representations, warranties, covenants and agreements on the part of the City contained herein as of the date hereof and as of the Closing Date, (iii) the accuracy in all material respects of the statements of the City and other officials of the City, the Corporation and the Trustee made in the Certificate Documents or any certificates or other documents furnished pursuant to the provisions hereof, and, (iv) the performance by the City, the Corporation and the Trustee of their respective obligations to be performed hereunder and under the Certificate Documents at or prior to the Closing Date. The Underwriter's obligations under this Contract of Purchase are and shall be subject to the following further conditions:

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

(b) On the Closing Date, the Official Statement, the Corporation Resolution, the City Resolution, the City Documents and the Corporation Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter.

(c) The City shall perform or have performed all of its obligations required under or specified in the City Resolution, the City Documents to which the City is a party and the Official Statement to be performed at or prior to the Closing Date.

(d) The Corporation shall perform or have performed all of its obligations required under or specified in the Corporation Resolution, the Corporation Documents to which the Corporation is a party and the Official Statement to be performed at or prior to the Closing Date.

(d) The City shall have delivered to the Underwriter final Official Statements by the time, and in the numbers, required by Section 3 of this Contract of Purchase.

(e) As of the date hereof and on the Closing Date, all necessary official action of the City relating to this Contract of Purchase, the Certificates, the Certificate Documents and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(f) After the date hereof, up to and including the Closing Date, there shall not have occurred any change in or particularly affecting the City, the Corporation, the City Resolution, the Corporation Resolution, the City Documents or the Corporation Documents as the foregoing matters are described in the Preliminary Official Statement and the Official Statement, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the Certificates.

(g) On or prior to the Closing Date, the Underwriter shall receive the following documents (in each case with only such changes as the Underwriter and Special Counsel shall approve):

- i. The approving opinion of Special Counsel relating to the Certificates, dated the Closing Date, substantially in the form attached as APPENDIX C to the Official Statement, and, if not otherwise directly addressed to the Underwriter, reliance letters with respect thereto addressed to the Underwriter;
- ii. The supplemental opinion or opinions of Special Counsel, addressed to the Underwriter, dated the Closing Date, to the effect that:
 1. This Contract of Purchase and the Disclosure Certificate have been duly executed and delivered by the Corporation and the City, as appropriate, and are legal, valid and binding obligations of the Corporation and the City enforceable in accordance with their terms, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;
 2. The City has all requisite power and authority: (a) to adopt the City Resolution, and to enter into, execute, deliver and perform its covenants and agreements under the Contract of Purchase and the City Documents to which the City is a party; (b) to approve and authorize the use, execution and distribution of the Preliminary Official Statement and the Official Statement; (c) to request the Trustee to execute and deliver the Certificates; (d) to pledge the funds as contemplated by the Certificate Documents; and (e) to carry on its activities as currently conducted;
 3. The City Documents to which the City is a party have each been duly authorized, executed and delivered by the City and are each in full force and effect;
 4. The Corporation has all requisite power and authority: (a) to adopt the Corporation Resolution, and to enter into, execute, deliver and perform its covenants and agreements under the Contract of Purchase and the Corporation Documents to which the Corporation is a party; (b) to approve and authorize the use, execution and distribution of the Preliminary Official Statement and the Official Statement; (c) to request the Trustee to execute and deliver the Certificates; (d) to pledge the funds as contemplated by the Corporation Documents; and (e) to carry on its activities as currently conducted;

5. The Corporation Documents to which the Corporation is a party have each been duly authorized, executed and delivered by the Corporation and are each in full force and effect;
6. The statements contained in the Preliminary Official Statement and the Official Statement on the cover page and in the sections entitled “INTRODUCTION,” “THE LEASED PREMISES,” “THE 2021 CERTIFICATES” (other than the information concerning DTC and the book-entry system) “SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES”, “TAX MATTERS,” APPENDIX B and APPENDIX C insofar as such statements expressly summarize certain provisions of the Trust Agreement, the Site Lease, the Lease Agreement, the Assignment Agreement, the Certificates, and the form and content of such counsel's opinions attached as APPENDIX C to the Preliminary Official Statement and the Official Statement, are accurate in all material respects; and
7. The Certificates are not subject to the registration requirements of the Securities Act of 1933, as amended (the “1933 Act”) and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”);

iii. A letter, dated the Closing Date and addressed to the Underwriter, from Stradling Yocca Carlson & Rauth, a Professional Corporation, as disclosure counsel (“Disclosure Counsel”), to the effect that without passing upon or assuming any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and without having independently verified the accuracy, completeness or fairness of the statements contained in the Official Statement, but on the basis of their participation in conferences with the City, the City Attorney, the Municipal Advisor, the Underwriter, Underwriter’s Counsel and others, and their reliance thereon and on certain specified records, documents, certificates, opinions and matters, no facts came to the attention of the attorneys in the firm rendering legal services in connection with the issuance of the Certificates which caused them to believe that the Official Statement as of its date and as of the Closing Date contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any CUSIP numbers, financial, accounting, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or as to any Appendices thereof, and information concerning DTC and its book-entry system, the Clearstream system, the Euroclear system, and global clearance procedures contained in the Official Statement).

iv. The opinion of the City Attorney, as counsel to the City, and as counsel to the Corporation (in such capacity , “Corporation Counsel”), dated the

Closing Date and addressed to the Underwriter, substantially in the form attached hereto as Exhibit A.

v. The opinion of Dorsey & Whitney LLP, counsel to U.S. Bank, National Association, N.A, as Trustee (the “Bank”), dated the Closing Date and addressed to the Underwriter, to the effect that:

1. The Bank is a national banking association duly organized, validly existing and in good standing under the laws of the United States having full power and authority and being qualified to enter into, accept and administer the trusts created under the Trust Agreement to which it is a party and to enter into such Trust Agreement;
2. The Trust Agreement and the Assignment Agreement to which it is a party have been duly authorized, executed and delivered by the Bank and constitute the legal, valid and binding obligations of the Bank enforceable against the Bank in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors’ rights generally and by the application of equitable principles if equitable remedies are sought;
3. The Certificates have been validly executed and delivered by the Bank and are entitled to the benefits of the Trust Agreement to the extent legally enforceable in accordance with their terms;
4. The execution, delivery and performance of the Trust Agreement, and the Assignment Agreement will not conflict in any material way with or cause a default under any law, ruling, agreement, administrative regulation or other instrument by which the Bank is bound; and
5. All authorizations and approvals required by law and the articles of association and bylaws of the Bank in order for the Bank to execute and deliver and perform its obligations under the Trust Agreement, and the Assignment Agreement, to which it is a party have been obtained.

vi. The opinion of Katten Muchin Rosenman LLP, counsel to the Underwriter, dated the Closing Date and addressed to the Underwriter, and covering such matters as the Underwriter may reasonably request;

vii. A certificate, dated the Closing Date, signed by an authorized officer of the City to the effect that: (a) the representations and agreements of the City contained in the City Documents to which the City is a party are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (b) the City Documents to which the City is a party have been duly authorized and

executed and are in full force and effect; (c) except as described in the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement, no litigation is pending and notice of which has been served on and received by the City or, to his or her knowledge, threatened against the City (i) seeking to prohibit, restrain or enjoin the execution or delivery of the Certificates or any of the Certificate Documents to which the City is a party, (ii) in any way contesting or affecting the validity of the Certificates, the City Resolution or any City Documents, (iii) in any way contesting the creation, existence or powers of the City or the application of the proceeds of the Certificates, or (iv) which, if adversely determined, could materially adversely affect the financial position or operating condition of the City or the transactions contemplated by the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement as of its date and as of the Closing Date or any Certificate Document; and (d) the Official Statement is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that no representation is made with respect to information in the Official Statement related to DTC and its book-entry system;

viii. A certificate, dated the Closing Date, signed by an authorized officer of the City, in form and substance satisfactory to the Underwriter, to the effect that (a) the financial statements of the City as of June 30, 2020 fairly represents the receipts, expenditures, assets, liabilities and cash balances of such amounts and, insofar as presented, other funds of the City as of the dates and for the periods therein set forth and (b) except as disclosed in the Preliminary Official Statement and the Official Statement, since June 30, 2020, no materially adverse change has occurred, or any development involving a prospective material adverse change, in the financial position or results of operations of the City and the City has not incurred since June 30, 2020, any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement;

ix. A certificate, dated the Closing Date, signed by an authorized officer of the Corporation to the effect that: (a) the Corporation is a nonprofit public benefit corporation duly organized under the laws of the State of California; (b) the Corporation has full legal right, power and authority to enter into the Corporation Documents to which the Corporation is party, and to carry out and consummate all transactions contemplated by the Corporation Documents to which the Corporation is party, and by proper action the Corporation has duly authorized the execution and delivery of the Corporation Documents to which the Corporation is party; (c) the Corporation Documents to which the Corporation is party have been duly authorized, executed and delivered by the Corporation and constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms; (d) the representations and agreements of the Corporation contained in the Corporation Documents to which the Corporation is a party are true and correct in all material respects as of the Closing Date; (e) the execution and delivery of the Corporation Documents to

which the Corporation is party, the consummation of the transactions contemplated in the Corporation Documents to which the Corporation is party and the fulfillment of or compliance with the terms and conditions of the Corporation Documents to which the Corporation is party, do not and will not, in any material respect, conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Corporation Documents to which the Corporation is party or the financial condition, assets, properties or operations of the Corporation; (f) there is no consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental Corporation is necessary in connection with the execution and delivery of the Corporation Documents to which the Corporation is party, or the consummation of any transaction therein contemplated, except as have been obtained or made and as are in full force and effect; (g) no litigation is pending and notice of which has been served on and received by the Corporation or, to his or her knowledge, threatened against the Corporation (i) seeking to prohibit, restrain or enjoin the execution or delivery of the Certificates or any of the Corporation Documents to which the Corporation is a party, (ii) in any way contesting or affecting the validity of the Certificates or any Corporation Documents to which the Corporation is a party, or the powers of the Corporation to enter into or perform its obligations under the Corporation Documents to which the Corporation is a party (iii) in any way contesting the creation, existence or powers of the Corporation or the application of the proceeds of the Certificates, or (iv) which, if adversely determined, could materially adversely affect the financial condition, assets, properties or operations of the Corporation, or the transactions contemplated by the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement as of its date and as of the Closing Date or any Corporation Document; and (h) no event affecting the Corporation has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date the statements or information regarding the Corporation contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein regarding the Corporation not misleading in any material respect;

- x. An executed or certified copy of the Trust Agreement;
- xi. Executed or certified copies of each other Certificate Document;

xii. A certified copy of the City Resolution authorizing the execution and delivery of the City Documents to which the City is a party;

xiii. A certified copy of the resolution approved by the governing body of the Corporation authorizing the execution and delivery of the Corporation Documents to which the Corporation is a party;

xiv. Evidence that the Certificates have been assigned the respective ratings set forth in the Official Statement;

xv. A certificate of an authorized officer of the Bank, dated as of the Closing Date, to the effect that: (a) the Bank is a national banking association organized and existing under and by virtue of the laws of the United States, having the full power and being qualified to enter into and perform its duties under the Trust Agreement and the Assignment Agreement and to execute and deliver the Certificates to the Underwriter pursuant to the Trust Agreement; (b) the Bank is duly authorized to enter into the Trust Agreement and the Assignment Agreement and to execute and deliver the Certificates to the Underwriter pursuant to the Trust Agreement; (c) when delivered to and paid for by the Underwriter on the Closing Date, the Certificates will have been duly executed and delivered by the Bank; (d) the execution and delivery of the Trust Agreement and the Assignment Agreement and compliance with the provisions on the Bank's part contained therein, will not conflict in any material way with or constitute a breach of or default under any law, administrative regulation, judgment, decree, material agreement or other material instrument to which the Bank is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), which conflict, breach or default would materially impair the ability of the Bank to perform its obligations under the Trust Agreement and the Assignment Agreement, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Bank pursuant to the lien created by the Trust Agreement under the terms of any such law, administrative regulation, judgment, decree, material agreement or other material instrument, except as provided by the Trust Agreement; and (e) to the knowledge of the Bank, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against the Bank, affecting the existence of the Bank, or the titles of its officers to their respective offices or seeking to prohibit, restrain, or enjoin the execution and delivery of the Certificates or the or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Certificates, or in any way contesting or affecting the validity or enforceability of the Trust Agreement and the Assignment Agreement, or contesting the powers of the Bank or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or funding would materially adversely affect the

validity or enforceability of the Trust Agreement and the Assignment Agreement, or the power and authority of the Bank to enter into and perform its duties under the Trust Agreement and the Assignment Agreement, and to execute and deliver the Certificates to or upon the order of the Underwriter

- xvi. A copy of the Blue Sky Survey with respect to the Certificates;
- xvii. The Preliminary Official Statement, together with a certificate of the City deeming the Preliminary Official Statement final for purposes of Rule 15c2-12;
- xviii. Copies of the preliminary and final notices to the California Debt and Investment Advisory Commission relating to the Certificates;
- xix. Specimen Certificates, duly executed by the Trustee;
- xx. a tax certificate of the City and the Corporation relating to the Certificates in form and substance acceptable to Special Counsel;
- xxi. A copy of the City's executed Blanket Letter of Representation to DTC;
- xxii. evidence of arrangements for the issuance of a binder for a CLTA title insurance policy or policies providing the title insurance required by the Lease Agreement, and evidence of all other insurance required under the Lease Agreement with respect to the Leased Property, in form and substance acceptable to the Underwriter; and
- xxiii. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, counsel for the Underwriter or Special Counsel may reasonably request to evidence compliance by the City, the Corporation and the Trustee with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the City, the Corporation and the Trustee contained herein and in the Certificate Documents and the due performance or satisfaction by the City, the Corporation and the Trustee at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City, the Corporation and the Trustee.

8. TERMINATION.

If the City or the Corporation shall be unable to satisfy the conditions of the Underwriter's obligations contained in this Contract of Purchase or if the Underwriter's obligations shall be terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase may be cancelled by the Underwriter at, or at any time before, the Closing Date. Notice of such cancellation shall be given by the Underwriter to the City and the Corporation in writing, or by telephone confirmed in writing. The performance by the City and the Corporation of any and all

conditions contained in this Contract of Purchase for the benefit of the Underwriter may be waived by the Underwriter.

(a) The Underwriter shall also have the right, before the Closing Date, to cancel its obligations to purchase the Certificates, by written notice by the Underwriter to the City and the Corporation, if between the date hereof and the Closing Date:

(i) Any event or circumstance occurs or information becomes known, which, in the professional judgment of the Underwriter, makes untrue any statement of a material fact set forth in the Preliminary Official Statement or the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; or

(ii) The market for the Certificates or the market prices of the Certificates or the ability of the Underwriter to enforce contracts for the sale of the Certificates shall have been materially and adversely affected, in the reasonable and professional judgment of the Underwriter, by:

(1) An amendment to the Constitution of the United States or the State shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation (whether or not then introduced) shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed (whether or not then introduced) for consideration by either such Committee by any member thereof or presented as an option for consideration (whether or not then introduced) by either such Committee by the staff of such Committee or by the staff of the joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the City or upon interest received on obligations of the general character of the Certificates which, in the judgment of the Underwriter, may have the purpose or effect, directly or, indirectly, of affecting the tax status of the City, its property or income, its securities (including the

Certificates) or the interest thereon, or any tax exemption granted or authorized by State legislation; or

(2) Legislation enacted (or resolution passed) by the Congress of the United States of America, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Certificates, or the Certificates, including any or all underlying arrangements, are not exempt from registration under other requirements of the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Certificates, or of the Certificates, including any or all underwriting arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities laws as amended and then in effect.

(3) The withdrawal or downgrading, or placement of “credit watch” or similar status, of any rating of any General Fund obligation of the City by a national municipal bond rating agency.

(4) Any amendment to the United States or State Constitution or action by any United States or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City, its property, income securities (or interest thereon), the validity or enforceability of the City Documents or the Corporation Documents, or the existence or powers of the City, the Corporation or the Trustee with respect to their obligations under the City Documents, the Corporation Documents or the Certificates.

(5) Any outbreak or escalation of hostilities or other national or international calamity or crisis, the effect of such outbreak, escalation, calamity or crisis on the financial markets of the United States being such as in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Certificates, or (i) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having appropriate jurisdiction, or (ii) a general banking moratorium shall have been declared by either federal, State or New York authorities having jurisdiction, or (iii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the charge to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any

other federal agency of the Congress of the United States, or by Executive Order, or any agency of the State having appropriate jurisdiction.

(6) The occurrence of a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, or a material disruption or deterioration in the fixed income or municipal securities market.

(7) Additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(8) Any adverse event affecting the City occurs which, in the reasonable judgment of the Underwriter, requires a supplement or amendment to the Official Statement.

9. AMENDMENTS TO OFFICIAL STATEMENT.

If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Certificates, an event occurs which might or would cause the Official Statement (other than the (i) information relating to DTC and its book-entry system, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in light of the circumstances under which it was presented, not misleading, the City will notify the Underwriter, and, if in the reasonable opinion of the City, the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will forthwith prepare and furnish to the Underwriter (at the expense of the City) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter in its reasonable opinion) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Certificates, the City will furnish such information with respect to itself as the Underwriter may from time to time reasonably request. As used herein and for the purposes of the foregoing, the term "End of the Underwriting Period" for the Certificates shall mean the earlier of (i) the Closing Date unless the City shall have been notified in writing to the contrary by the Underwriter on or prior to the Closing Date, or (ii) the date on which the End of the Underwriting Period for the Certificates has occurred under Rule 15c2-12; provided, however, that the City may treat as the End of the Underwriting Period for the Certificates the date specified as such in a notice from the Underwriter stating the date which is the End of the Underwriting Period.

10. EXPENSES.

All expenses and costs of the City and the Corporation incident to the performance of their respective obligations hereunder and relating to the execution and sale of the Certificates to the Underwriter, including the costs of printing or reproduction of the Certificates, the City

Documents, the Corporation Documents and the Official Statement in reasonable quantities, fees of consultants to the City or the Corporation, fees of rating agencies, fees of obtaining title insurance, advertising expenses, fees and expenses of the Trustee and its counsel, fees and expenses of the Corporation and its counsel and fees and expenses of counsel to the City, Special Counsel and Disclosure Counsel, shall be paid by the City from the proceeds of the Certificates or other revenues of the City. The City shall be solely responsible for and shall pay for any expenses incurred by the Underwriter on behalf of the City's employees and representatives, which are incidental to implementing this Contract of Purchase, including, but not limited to, meals, transportation, lodging, and entertainment of those employees and representatives. All other expenses and costs of the Underwriter incurred under or pursuant to this Contract of Purchase, including, without limitation, the cost of preparing this Contract of Purchase and other Underwriter documents, travel expenses and the fees and expenses of counsel to the Underwriter, shall be paid by the Underwriter (which may be included as an expense component of the Underwriter's discount).

11. ESTABLISHING THE ISSUE PRICE FOR THE CERTIFICATES.

(a) The Underwriter agrees to assist the City and the Corporation in establishing the issue price of the Certificates and shall execute and deliver to the City and the Corporation on the Closing Date an "issue price" or similar certificate, substantially in the form attached hereto as Exhibit B, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Special Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Certificates. All actions to be taken by the City and the Corporation under this Section to establish the issue price of the Certificates may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) Except for the maturities set forth in in Schedule A to Exhibit B attached hereto, the City represents that it will treat the first price at which 10% of each maturity of the Certificates (the "10% Test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). If, as of the date hereof, the 10% Test has not been satisfied as to any maturity of the Certificates for which the City has elected to utilize the 10% Test, the Underwriter agrees to promptly report to the City the prices at which Certificates of that maturity or maturities have been sold by the Underwriter to the public. That reporting obligation shall continue until the earlier of the date upon which the 10% Test has been satisfied as to the Certificates of that maturity or maturities or the Closing Date.

(c) The Underwriter confirms that it has offered the Certificates to the public on or before the date of this Contract of Purchase at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Exhibit B attached hereto, except as otherwise set forth therein. Schedule A to Exhibit B also sets forth, as of the date of this Contract of Purchase, the maturities, if any, of the Certificates for which the 10% test has not been satisfied and for which the City, the Corporation and the Underwriter agree that the restrictions set forth in the next sentence shall apply (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Certificates, the Underwriter will

neither offer nor sell unsold Certificates of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

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

(d) The Underwriter confirms that:

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

(A)(1) to report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Certificates of that maturity and (ii) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(B) to promptly notify the Underwriter of any sales of Certificates that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Certificates to the public (each such term being used as defined below),

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

(ii) any selling group agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter or such dealer that the 10% Test has been satisfied as to the Certificates of that maturity and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

The City acknowledges that, in making the representations set forth in this Section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Certificates to the public, the agreement of each dealer who is a member of the

selling group to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Certificates to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Corporation further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates.

(e) The Underwriter acknowledges that sales of any Certificates to any person that is a related party to an underwriter participating in the initial sale of the Certificates to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this Section:

- (i) “public” means any person other than an underwriter or a related party to an underwriter,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the public),
- (iii) a purchaser of any of the Certificates is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Contract of Purchase by all parties.

12. USE OF DOCUMENTS.

The City hereby authorizes the Underwriter to use, in connection with the public offering and sale of the Certificates, this Contract of Purchase, the Preliminary Official Statement, the Official Statement and the Certificate Documents, and the information contained herein and therein.

13. QUALIFICATION OF SECURITIES.

The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Certificates for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; *provided, however*, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

14. NOTICES.

Any notice or other communication to be given to the City under this Contract of Purchase may be given by delivering the same in writing to City of Manhattan Beach, 1400 Highland Avenue, Manhattan Beach, California 90266, Attention: City Manager; any notice or other communication to be given to the Corporation under this Contract of Purchase may be given by delivering the same in writing to the Manhattan Beach Capital Improvements Corporation, c/o City of Manhattan Beach, 1400 Highland Avenue, Manhattan Beach, California 90266 Attention: Chief Administrative Officer; and any such notice or other communication to be given to the Underwriter may be given by delivering the same in writing to BofA Securities, Inc., 333 South Hope Street, Suite 3820, Los Angeles, California 90071, Attention: Jeffrey Bower, Managing Director.

15. BENEFIT.

This Contract of Purchase is made solely for the benefit of the City, the Corporation and the Underwriter (including their successors or assigns) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. Except as otherwise expressly provided herein, all of the agreements and representations of the City and the Corporation contained in this Contract of Purchase and in any certificates delivered pursuant hereto shall remain operative and in full force and effect regardless of: (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the Certificates hereunder; or (iii) any termination of this Contract of Purchase, other than pursuant to Section 8 (and in all events the agreements of the City pursuant to Section 10 hereof shall remain in full force and effect notwithstanding the termination of this Contract of Purchase under Section 7 hereof).

16. GOVERNING LAW. THIS CONTRACT OF PURCHASE SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE.

17. WAIVER OF JURY TRIAL. THE CITY HEREBY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS CONTRACT OF PURCHASE OR THE TRANSACTIONS CONTEMPLATED HEREBY.

18. MISCELLANEOUS.

(a) This Contract of Purchase contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements, prior writings and representations with respect thereto.

(b) This Contract of Purchase may be executed in several counterparts, each of which shall be deemed an original hereof.

[Signature page follows]

Very truly yours,

BofA SECURITIES, INC.,
as Underwriter

By: _____
Authorized Officer

Approved and Agreed to: August __, 2021

MANHATTAN BEACH CAPITAL
IMPROVEMENTS CORPORATION

By: _____
Chief Financial Officer

CITY OF MANHATTAN BEACH

By: _____
Authorized Representative

(Signature Page to Contract of Purchase)

SCHEDULE I

Principal Amounts, Interest Rates, Yields, Prices and Prepayment Provisions

MATURITY SCHEDULE

| <u>Maturity</u> <u>(January 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>Price</u> |
|---------------------------------------|-----------------------------------|--------------------------------|--------------|--------------|
|---------------------------------------|-----------------------------------|--------------------------------|--------------|--------------|

* Priced to the first optional prepayment date of [_____].

Prepayment Provisions:

Optional Prepayment. The Certificates maturing on or after January 1, 20__ are subject to prepayment in whole or in part (in integral multiples of \$5,000) on any date on or after January 1, 20__ from moneys deposited into the Prepayment Fund as a result of the exercise by the City of its option to prepay its Lease Payments, at a prepayment price equal to the Principal Component of Certificates to be prepaid plus accrued interest to the date fixed for prepayment, without premium.

Prepayment from Net Insurance Proceeds. The Certificates are subject to prepayment on any Interest Payment Date, in whole or in part (in integral multiples of \$5,000), from Net Insurance Proceeds deposited in the Prepayment Fund at least 60 days prior to a Payment Date and credited towards the Prepayment made by the City in accordance with the Lease Agreement, at a prepayment price equal to the Principal Component thereof, together with accrued Interest Component to the date fixed for prepayment, without premium.

Partial Prepayment of Certificates. Upon surrender by the Owner of a Certificate for partial prepayment, payment of such partial prepayment of the Principal Component will be made by check mailed by first class mail to the Owner at his address as it appears on the registration books of the Trustee. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the Owner thereof, at the expense of the City, a new Certificate or Certificates which shall be of authorized denominations equal in aggregate principal amount to the unprepaid Principal Component of the Certificate surrendered and of the same interest rate and the same maturity. Such partial prepayment shall be valid upon payment of the amount thereby required to be paid to such Owner, and the City, the Corporation and the Trustee shall be released and discharged from all liability to the extent of such payment.

EXHIBIT A

FORM OF CITY ATTORNEY AND CORPORATION COUNSEL OPINION

Manhattan Beach Capital Improvements
Corporation
1400 Highland Avenue
Manhattan Beach, California 90266

BofA Securities, Inc.
Los Angeles, California 90071

City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, California 90266

Opinion of City Attorney and Corporation Counsel

with reference to

\$_[_____]

CERTIFICATES OF PARTICIPATION

(Fire Station #2) Series 2021

Evidencing the Proportionate Interests of the Owners

Thereof in Lease Payments to be made by the

CITY OF MANHATTAN BEACH

**As the Rental for Certain Leased Premises Pursuant to a Lease Agreement with the
MANHATTAN BEACH CAPITAL IMPROVEMENTS CORPORATION**

Ladies and Gentlemen:

This opinion letter is being delivered to you pursuant to Section 7(g)(iv) of the Contract of Purchase, dated _____, 2021 (the "Contract of Purchase"), by and among the Manhattan Beach Capital Improvements Corporation (the "Corporation"), the City of Manhattan Beach (the "City"), and BofA Securities, Inc., as Underwriter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Contract of Purchase. We serve as City Attorney to the City and General Counsel to the Corporation. In such capacity, in connection with the issuance of the above-referenced certificates of participation (the "Certificates"), we have examined the originals, certified copies, or copies otherwise identified to us as being true copies of the City Documents and the Corporation Documents and such other documents, certificates, and records as we have deemed relevant and necessary as the basis for the opinions set forth in this letter. Relying on such examination and subject to the limitations and qualifications set forth in this letter, we are of the opinion under existing law that:

1. The City is a general law city duly organized and validly existing under and by virtue of the Constitution and laws of the State of California.

2. The City Resolution, which approves and authorizes the execution and delivery of the City Documents, the delivery of the Official Statement, and related matters, was duly adopted at a regular meeting of the City Council of the City, which was called and held on July __, 2021, pursuant to law with all public notice required by law and at which a quorum was present and acting throughout, and the City Resolution is in full force and effect and has not been modified, amended or rescinded.

3. Except as disclosed in the Preliminary Official Statement and in the Official Statement, and to the best of our knowledge after due inquiry, there is no action, suit, proceeding, inquiry, or investigation before or by any court, public board, or body pending with respect to which the City has been served with process, or threatened against the City, wherein an unfavorable decision, ruling, or finding would affect the creation, organization, existence, or powers of the City, or the titles of its City Council members or their respective offices, prohibit, enjoin or restrain the, sale, and delivery of the Certificates, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Certificates, or in any way contest or affect the validity or enforceability of the City Resolution or the Certificate Documents to which the City is a party, or contest in any way the completeness or accuracy of the Official Statement, or contest the powers of the City or its authority with respect to the City Resolution or the Certificate Documents to which the City is a party.

4. To the best of our knowledge after due inquiry, the execution and delivery of the City Documents by the City, and compliance by the City with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject, which conflict, breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the City Documents.

5. The Corporation is a nonprofit public benefit corporation duly organized and validly existing under the Constitution and laws of the State of California.

6. The Corporation Resolution, which approves and authorizes the execution and delivery of the Corporation Documents and related matters, was duly adopted at a meeting of the Board of Directors of the Corporation, which was called and held on July __, 2021, pursuant to law with all public notice required by law and at which a quorum was present and acting throughout, and the Corporation Resolution is in full force and effect and has not been modified, amended or rescinded.

7. Except as disclosed in the Preliminary Official Statement and in the Official Statement, and to the best of our knowledge after due inquiry, there is no action, suit, proceeding, inquiry, or investigation before or by any court, public board, or body pending with respect to which the Corporation has been served with process, or threatened against the Corporation, wherein an unfavorable decision, ruling, or finding would affect the creation, organization, existence, or powers of the Corporation, or the titles of its Board of Directors or their respective

offices, prohibit, enjoin or restrain the, sale, and delivery of the Certificates, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Certificates, or in any way contest or affect the validity or enforceability of the Corporation Resolution or the Corporation Documents to which the Corporation is a party, or contest in any way the completeness or accuracy of the Official Statement, or contest the powers of the Corporation or its authority with respect to the Corporation Resolution or the Corporation Documents to which the Corporation is a party.

8. To the best of our knowledge after due inquiry, the execution and delivery of the Corporation Documents by the Corporation, and compliance by the Corporation with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the Corporation a breach of or default under any agreement or other instrument to which the Corporation is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Corporation is subject, which conflict, breach or default has or may have a material adverse effect on the ability of the Corporation to perform its obligations under the Corporation Documents.

The opinions expressed herein are based on such examination of the law of the State of California as we deemed relevant for the purposes of this opinion. We have not considered the effect, if any, of the laws of any other jurisdiction upon matters covered by this letter. We have assumed the genuineness of all documents and signatures presented to us. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in such documents. We express no opinion herein as to the status of the Certificates or the interest thereon, the City Documents, or the Corporation Documents under any federal securities laws or any state securities or "Blue Sky" law or any federal, state or local tax law. No opinion is expressed herein with respect to the validity of the Certificates for which the City and the Corporation are relying on the opinion given by Special Counsel. Further, we express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, severability, or waiver provisions contained in the City Documents or the Corporation Documents. Without limiting any of the foregoing, we express no opinion as to any matter other than as expressly set forth above.

Whenever a statement herein is qualified by "to the best of our knowledge," it shall be deemed to indicate that, during the course of our representation of the City and the Corporation in connection with the financing described herein, no information that would give us current, actual knowledge of the inaccuracy of such statement has come to our attention. We have not, however, undertaken any independent investigation to determine the accuracy of such statements, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such investigation. No inference as to our knowledge of any matters bearing upon the accuracy of any such statement should be drawn from the fact of our representation of the City or the Corporation.

This opinion letter is furnished by us as City Attorney to the City and as General Counsel to the Corporation. Except for the City and the Corporation, no attorney-client relationship has existed or exists between our firm and the addressees hereof in connection with the Certificates or

by virtue of this opinion letter. This opinion letter is rendered solely in connection with the financing described herein, and may not be relied upon by you for any other purpose. We disclaim any obligation to update this opinion letter. This opinion letter and the opinions expressed herein shall not extend to, and may not be used, quoted, referred to, or relied upon by any other person, firm, corporation or other entity without our prior written consent; provided, however, a copy may be included in the transcript of the proceedings for the Certificates.

Very truly yours,

RICHARDS, WATSON & GERSHON,
A PROFESSIONAL CORPORATION

By:

Quinn M. Barrow

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE OF THE UNDERWRITER

\$[_____]
CERTIFICATES OF PARTICIPATION
(Fire Station #2) Series 2021
Evidencing the Proportionate Interests of the Owners
Thereof in Lease Payments to be made by the
CITY OF MANHATTAN BEACH
As the Rental for Certain Leased Premises Pursuant to a Lease Agreement with the
Manhattan Beach Capital Improvements Corporation

The undersigned, on behalf of BofA Securities, Inc. (“BofAS”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned certificates (the “Certificates”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) BofAS offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Certificates is attached to this certificate as Schedule B.

(b) As set forth in the Contract of Purchase, dated [_____], 2021, by and between BofAS, the Corporation and the City, BofAS has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Certificates of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. BofAS has not offered or sold any unsold Certificates of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Certificates during the Holding Period.

3. ***Defined Terms.***

(a) *City* means the City of Manhattan Beach.

(b) *Corporation* means the Manhattan Beach Improvements Corporation

(c) *General Rule Maturities* means those Maturities of the Certificates listed in Schedule A hereto as the “General Rule Maturities.”

(d) *Hold-the-Offering-Price Maturities* means those Maturities of the Certificates listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(e) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([_____], 2021), or (ii) the date on which BofAS has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(f) *Maturity* means Certificates with the same credit and payment terms. Certificates with different maturity dates, or Certificates with the same maturity date but different stated interest rates, are treated as separate maturities.

(g) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(h) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Certificates. The Sale Date of the Certificates is [_____], 2021.

(i) *Underwriter* means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents BofAS’ interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by Jones Hall, A Professional Law Corporation in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Certificates. The certifications contained herein are not necessarily based on personal knowledge of the undersigned but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

BOFA SECURITIES, INC.

By: _____
Name:
Title:

Dated: [_____], 2021

SCHEDULE A

**SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

**[\$_____]
CERTIFICATES OF PARTICIPATION
(Fire Station #2) Series 2021
Evidencing the Proportionate Interests of the Owners
Thereof in Lease Payments to be made by the
CITY OF MANHATTAN BEACH
As the Rental for Certain Leased Premises Pursuant to a Lease Agreement with the
Manhattan Beach Capital Improvements Corporation**

| <u>Maturity</u> <u>(January 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>Price</u> |
|---------------------------------------|-----------------------------------|--------------------------------|--------------|--------------|
|---------------------------------------|-----------------------------------|--------------------------------|--------------|--------------|

* General Rule Maturities.

** Hold-the-Offering-Price Maturities.

*** Priced to the first optional prepayment date of [_____].

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION