



Model Issue Price Documents

May 1, 2017



Model Issue Price Documents Version 2.0

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**SIFMA Model Issue Price Riders for AAU,
Selling Group Agreement, ~~Retail~~Third-Party Distribution Agreement,
BPA and Notice of Sale
(Revised – Issue Price 2.0)**

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SIFMA ~~Model~~ ~~Proposed~~ Issue Price Riders for AAU,
Selling Group Agreement, ~~Retail~~ ~~Third-Party~~ Distribution Agreement, BPA and Notice of Sale

I. Agreement Among Underwriters - Negotiated

A. Addendum to the Initial Wire Delivered Pursuant to the SIFMA Master AAU (2002)

Establishment of Issue Price

The Manager shall take such actions as may be necessary, on behalf of the Underwriters participating in the Account, to assist the Issuer in establishing the issue price of the Securities, including the execution and delivery to the Issuer of an “issue price” or similar certificate in form and substance satisfactory to the Manager.

The Underwriters participating in the Account shall assist the Manager in establishing the issue price of the Securities, including providing such information and certifications regarding sales of the Securities (including sales to any person that is a “related party” to an ~~Underwriter~~ “underwriter” participating in the initial sale of the Securities to the “public”, each such term being used as defined below) as the Manager may request from time to time. Unless otherwise notified by the Manager, the Underwriters shall assume that the Issuer will treat the first price at which 10% of each maturity of the Securities (the “10% test” *[see drafter’s note below]*) 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 the 10% test has not been satisfied as to any maturity of the Securities, each Underwriter participating in the Account agrees to promptly report to the Manager the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Securities of that maturity ~~allotted~~ allocated to it or (ii) the Manager advises the Underwriters that the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriters’ reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager [see drafter’s note below]. For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

The Manager shall notify the Underwriters participating in the Account, in one or more Pricing Wires at or prior to the time of the Pricing Wire ~~allotting~~ allocating the Securities, if the 10% test has not been satisfied as to any maturity of the Securities and whether the Manager has agreed, on behalf of the Underwriters participating in the Account, to accept the restrictions set forth in the next sentence, which will allow the Issuer to treat the initial offering price to the public as of the sale date of that maturity as the issue price of that maturity (the “hold-the-offering-price rule”). In the event that the hold-the-offering-price rule shall be applicable to any maturity of the Securities, each Underwriter participating in the Account agrees that, so long as the hold-the-offering-price rule remains applicable to that maturity, it will neither offer nor sell unsold Securities 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:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Manager has notified the Underwriters that the Account has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

Each Underwriter acknowledges that it shall be solely liable for its failure to comply with ~~its agreement regarding the hold-the-offering-price rule and that~~the requirements of this section, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities. Notwithstanding any provisions in the Purchase Contract relating to liability of the Account to the Issuer in connection with the establishment of issue price of the Securities, as among the Underwriters participating in the Account, no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a ~~retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Securities.~~third-party distribution agreement, to comply with its corresponding agreement regarding the establishment of the issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities. In the event that the Account, or any one or more Underwriters participating in the Account, become liable or make any payment to the Issuer under the Purchase Contract as a result of the failure of any Underwriter, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its agreement regarding the establishment of the issue price of the Securities, the Underwriter that has failed to comply, or the Underwriter that is party to such third-party distribution agreement, shall indemnify the other Underwriters participating in the Account for any such liability or payment, in accordance with this Master Agreement.

In the event that a selling group is created in connection with the initial sale of the Securities to the public, the Manager agrees that the Selling Group Agreement shall contain the agreement of each dealer who is a member of the selling group ~~to (i) report the prices at which it sells to the public the unsold Securities of each maturity allotted to it until it is notified by the Manager that either the 10% test has been satisfied as to the Securities of that maturity or all Securities of that maturity have been sold to the public and (ii) comply with the hold-the-offering-price rule, in each case if and for so long as directed by the Manager and as set forth in the related Pricing Wires. Each Underwriter who is a party to a retail distribution agreement that is employed in connection with the initial sale of the Securities to the public agrees that the retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement to (i) report the prices at which it sells to the public the unsold Securities of each maturity allotted to it until it is notified by the Manager or the Underwriter that either the 10% test has been satisfied as to the Securities of that maturity or all Securities of that maturity have been sold to the public and (ii) comply with the hold-the-offering-price rule, in each case if and for so long as directed by the Manager or the Underwriter and as set forth in the related Pricing Wires.;~~

(A)(i) to report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Manager that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager [see drafter's note below] and (ii) to comply with the hold-the-offering-price rule, if and for so long as directed by the Manager and as set forth in the related Pricing Wires.

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

(C) that any third-party distribution agreement that is employed by such dealer in connection with the initial sale of the Securities to the public shall contain (a) the

agreement of each broker-dealer who is a party to that third-party distribution agreement to (i) report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Manager or the dealer that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager or the dealer [see drafter's note below], (ii) comply with the hold-the-offering-price rule, if and for so long as directed by the Manager or the dealer and as set forth in the related Pricing Wires, and (iii) promptly notify the Manager or the dealer of any sales of Securities that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below), and (b) the acknowledgement that, unless otherwise advised by the broker-dealer, the Manager shall assume that each order submitted by the broker-dealer is a sale to the public.

Each Selling Group Agreement also shall contain an acknowledgement by the dealer that, unless otherwise advised by the dealer, the Manager shall assume that each order submitted by the dealer is a sale to the public.

Each Underwriter who is a party to a third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public agrees that the third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement to:

(A)(i) report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Manager or the underwriter that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager or the underwriter [see drafter's note below], and (ii) comply with the hold-the-offering-price rule, if and for so long as directed by the Manager or the underwriter and as set forth in the related Pricing Wires, and

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

Each third-party distribution agreement also shall contain an acknowledgement by the broker-dealer that, unless otherwise advised by the broker-dealer, the Manager shall assume that each order submitted by the broker-dealer is a sale to the public.

If the hold-the-offering price rule shall be applicable to any maturity of the Securities, the Manager shall advise the Underwriters participating in the Account in one or more Pricing Wires of:

- (1) the maturity date and CUSIP number of that maturity; and
- (2) the date and time when the 10% test has been satisfied for that maturity, if such date occurs sooner than the close of business on the fifth (5th) business day after the sale date.

Each Underwriter acknowledges that sales of any Securities to any person that is a related party to an ~~Underwriter~~ underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Each Underwriter agrees to promptly notify the Manager of any sales of Securities by it (or by any participant in a third-party distribution network that it has established) that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public. Each Underwriter acknowledges that, unless otherwise advised by that Underwriter, the Manager shall assume that each order submitted by that Underwriter (or by any participant in a third-party distribution network that it has established) is a sale to the public. Each Underwriter agrees to provide to the Manager, upon request of the Manager, a current listing of the Underwriter's related parties that could reasonably be expected to purchase Securities in primary offerings subject to this Agreement.

Each Underwriter further agrees to promptly notify the Manager of any failure on its part, or, to its knowledge, on the part of any participant in a third-party distribution network that it has established, to comply with the requirements for establishing issue price of the Securities as set forth in this section. Unless otherwise advised by an Underwriter, the Manager shall assume that the Underwriter and each participant in a third-party distribution network that it has established have complied with such requirements for establishing issue price of the Securities.

For purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~(A) 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) B~~ 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) C~~ 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 the Purchase Contract by all parties.

Drafter's Notes:

~~(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. (i) See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

(ii) This rider is intended to be included as an addendum to the Initial Wire establishing the Account for the purchase and sale of an issue of Securities. Additional direction to the Underwriters participating in the Account as to their obligations under this section will be provided by the Manager through one or more Pricing Wires.

(ii) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.

(iii)(iii) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, each Underwriter, member of the selling group or broker-dealer that is party to a third-party distribution agreement is obligated to continue to report the prices, whether or not the Closing Date has occurred, at which it sells the unsold Securities of that maturity to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Manager (or of the dealer or underwriter that is party to the third-party distribution agreement). In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

(iv) This rider requires that any selling group agreement established by the Manager in connection with the initial sale of the Securities to the public will contain the required language obligating members of the selling group to report prices at which Securities are sold and/or comply with the hold-the-offering-price rule, as directed by the Manager and as set forth in the related Pricing Wires. In addition, this rider requires that any Underwriter or selling group member who is a party to a ~~retail~~third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public will include similar language in that ~~retail~~third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold and/or comply with the hold-the-offering-price rule, as directed in the related Pricing Wires. Suggested language for selling group agreements and ~~retail~~third-party distribution agreements is set forth below.

(v) The Underwriters' obligation to purchase the Securities generally will be a joint and several obligation. Unless otherwise agreed, however, the obligation of each Underwriter to comply with its agreement regarding the requirements for the establishment of issue price of the Securities, including, but not limited to its agreement to comply with the hold-the-offering-price rule, will be a several obligation of each Underwriter and no Underwriter will be liable for the failure of any other Underwriter, or 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.

B. Exhibit A to Agreement Among Underwriters (Instructions, Terms and Acceptance) (1997)

Establishment of Issue Price

The Representative shall take such actions as may be necessary, on behalf of the Underwriters participating in the Group, to assist the Issuer in establishing the issue price of the Securities, including the execution and delivery to the Issuer of an “issue price” or similar certificate in form and substance satisfactory to the Representative.

The Underwriters participating in the Group shall assist the Representative in establishing the issue price of the Securities, including providing such information and certifications regarding sales of the Securities (including sales to any person that is a “related party” to an ~~Underwriter~~ “underwriter” participating in the initial sale of the Securities to the “public”, each such term being used as defined below) as the Representative may request from time to time. Unless otherwise notified by the Representative, the Underwriters shall assume that the Issuer will treat the first price at which 10% of each maturity of the Securities (the “10% test” [*see drafter’s note below*]) 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 the 10% test has not been satisfied as to any maturity of the Securities, each Underwriter participating in the Group agrees to promptly report to the Representative the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Securities of that maturity ~~allotted~~ allocated to it or (ii) the Representative advises the Underwriters that the 10% test has been satisfied as to the Securities of that maturity ~~–~~ provided that, the Underwriters’ reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative [see drafter’s note below]. For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

The Representative shall notify the Underwriters participating in the Group, in one or more Pricing Wires at or prior to the time of the Pricing Wire ~~allotting~~ allocating the Securities, if the 10% test has not been satisfied as to any maturity of the Securities and whether the Representative has agreed, on behalf of the Underwriters participating in the Group, to accept the restrictions set forth in the next sentence, which will allow the Issuer to treat the initial offering price to the public as of the sale date of that maturity as the issue price of that maturity (the “hold-the-offering-price rule”). In the event that the hold-the-offering-price rule shall be applicable to any maturity of the Securities, each Underwriter participating in the Group agrees that, so long as the hold-the-offering-price rule remains applicable to that maturity, it will neither offer nor sell unsold Securities 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:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Representative has notified the Underwriters that the Group has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

Each Underwriter acknowledges that it shall be solely liable for its failure to comply with the requirements of this section, including, but not limited to, its agreement ~~regarding to comply with~~ the hold-the-offering-price rule and that, if applicable to the Securities. Notwithstanding any provisions in the Purchase Contract relating to liability of the Group to the Issuer in connection with the establishment of issue price of the Securities, as among the Underwriters participating in

the Group, no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a ~~retail~~third-party distribution agreement, to comply with its corresponding agreement regarding the establishment of the issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule ~~as applicable to the Securities.~~, if applicable to the Securities. In the event that the Group, or any one or more Underwriters participating in the Group, become liable or make any payment to the Issuer under the Purchase Contract as a result of the failure of any Underwriter, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its agreement regarding the establishment of the issue price of the Securities, the Underwriter that has failed to comply, or the Underwriter that is party to such third-party distribution agreement, shall indemnify the other Underwriters participating in the Group for any such liability or payment, in accordance with this Agreement.

In the event that a selling group is created in connection with the initial sale of the Securities to the public, the Representative agrees that the Selling Group Agreement shall contain the agreement of each dealer who is a member of the selling group:

(A)(i) to (i) report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Representative that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public~~, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative [see drafter's note below] and (ii) to comply with the hold-the-offering-price rule, ~~in each case~~ if and for so long as directed by the Representative and as set forth in the related Pricing Wires. ~~Each Underwriter.~~

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

(C) that any third-party distribution agreement that is employed by such dealer in connection with the initial sale of the Securities to the public ~~agrees that the retail distribution agreement~~ shall contain (a) the agreement of each broker-dealer who is a party to ~~the retail~~that third-party distribution agreement to (i) report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Representative or the ~~Underwriter~~dealer that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public and~~, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or the dealer [see drafter's note below], (ii) comply with the hold-the-offering-price rule, ~~in each case~~ if and for so long as directed by the Representative or the ~~Underwriter~~dealer and as set forth in the related Pricing Wires, and (iii) promptly notify the Representative or the dealer of any sales of Securities that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below), and (b) the acknowledgement that, unless otherwise advised by the

broker-dealer, the Representative shall assume that each order submitted by the broker-dealer is a sale to the public.

Each Selling Group Agreement also shall contain an acknowledgement by the dealer that, unless otherwise advised by the dealer, the Representative shall assume that each order submitted by the dealer is a sale to the public.

Each Underwriter who is a party to a third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public agrees that the third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement to:

(A)(i) report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Representative or the underwriter that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or the underwriter [see drafter's note below], and (ii) comply with the hold-the-offering-price rule, if and for so long as directed by the Representative or the underwriter and as set forth in the related Pricing Wires, and

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

Each third-party distribution agreement also shall contain an acknowledgement by the broker-dealer that, unless otherwise advised by the broker-dealer, the Representative shall assume that each order submitted by the broker-dealer is a sale to the public.

If the hold-the-offering price rule shall be applicable to any maturity of the Securities, the Representative shall advise the Underwriters participating in the Group in one or more Wire Notices of:

- (1) the maturity date and CUSIP number of that maturity; and
- (2) the date and time when the 10% test has been satisfied for that maturity, if such date occurs sooner than the close of business on the fifth (5th) business day after the sale date.

Each Underwriter acknowledges that sales of any Securities to any person that is a related party to an ~~Underwriter~~ underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Each Underwriter agrees to promptly notify the Representative of any sales of Securities by it (or by any participant in a third-party distribution network that it has established) that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public. Each Underwriter acknowledges that, unless otherwise advised by that Underwriter, the Representative shall assume that each order submitted by that Underwriter (or by any participant in a third-party distribution network that it has established) is a sale to the public. Each Underwriter agrees to provide to the Representative, upon request of the Representative, a current listing of the Underwriter's related parties that could reasonably be expected to purchase Securities in primary offerings subject to this Agreement.

Each Underwriter further agrees to promptly notify the Representative of any failure on its part, or, to its knowledge, on the part of any participant in a third-party distribution network that it has established, to comply with the requirements for establishing issue price of the Securities as set forth in this section. Unless otherwise advised by an Underwriter, the Representative shall assume that the Underwriter and each participant in a third-party distribution network that it has established have complied with such requirements for establishing issue price of the Securities.

For purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~(A) 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) B~~ 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) C~~ 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 the Purchase Contract by all parties.

Drafter’s Notes:

~~(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

~~(ii)~~ This rider is intended to be included as part of Exhibit A to the Agreement Among Underwriters, which establishes the Group for the purchase and sale of an issue of Securities. Additional direction to the Underwriters participating in the Group as to their obligations under this section will be provided by the Representative through one or more Pricing Wires.

~~(iii)(ii) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

(iii) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, each Underwriter, member of the selling group or broker-dealer that is party to a third-party distribution agreement is obligated to continue to report the prices, whether or not the Closing Date has occurred, at which it sells the unsold Securities of that maturity to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Representative (or of the dealer or underwriter that is party to the third-party distribution agreement). In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

(iv) This rider requires that any selling group agreement established by the Representative in connection with the initial sale of the Securities to the public will contain the required language obligating members of the selling group to report prices at which Securities are sold and/or comply with the hold-the-offering-price rule, as directed by the Representative and as set forth in the related Pricing Wires. In addition, this rider requires that any Underwriter or selling group member who is a party to a ~~retail~~third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public will include similar language in that ~~retail~~third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold and/or comply with the hold-the-offering-price rule, as directed in the related Pricing Wires. Suggested language for selling group agreements and ~~retail~~third-party distribution agreements is set forth below.

(v) The Underwriters' obligation to purchase the Securities generally will be a joint and several obligation. Unless otherwise agreed, however, the obligation of each Underwriter to comply with its agreement regarding the requirements for the establishment of issue price of the Securities, including, but not limited to its agreement to comply with the hold-the-offering-price rule, will be a several obligation of each Underwriter and no Underwriter will be liable for the failure of any other Underwriter, or 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.

II. Agreement Among Underwriters – Competitive

Establishment of Issue Price

The Manager shall take such actions as may be necessary, on behalf of the Underwriters participating in the Account, to assist the Issuer in establishing the issue price of the Securities, including the execution and delivery to the Issuer of an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public of the Securities in form and substance satisfactory to the Manager.

The Underwriters participating in the Account shall assist the Manager in establishing the issue price of the Securities, including providing such information and certifications regarding sales of the Securities (including sales to any person that is a “related party” to an ~~Underwriter~~ “underwriter” participating in the initial sale of the Securities to the “public”, each such term being used as defined below) as the Manager may request from time to time.

Unless otherwise notified by the Manager, the Underwriters shall assume that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Securities) (the “competitive sale requirements”) will be satisfied and that the Issuer will treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Securities.

In the event that the competitive sale requirements are not satisfied, the Issuer may determine to treat (i) the first price at which 10% of each maturity of the Securities (the “10% test” *[see drafter’s note below]*) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Securities as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis ~~(and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).~~ — If the 10% test has not been satisfied as to any maturity of the Securities, each Underwriter participating in the Account agrees to promptly report to the Manager the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Securities of that maturity ~~allotted~~ allocated to it or (ii) the Manager ~~notifies~~ advises the Underwriters that the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriters’ reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager [see drafter’s note below]. For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

In certain circumstances, the notice of sale for the Securities may provide that a bid submitted by the Manager will be cancelled and deemed withdrawn in the event that the competitive sale requirements are not satisfied and the Issuer determines to require the Underwriters to apply the hold-the-offering-price rule to any maturity of the Securities, unless the Manager confirms the bid on the sale date and accepts, on behalf of the Underwriters participating in the Account, the restrictions set forth below, which will allow the Issuer to apply the hold-the-offering-price rule to the Securities. The Manager shall promptly notify the Underwriters participating in the Account on the sale date if the bid has been cancelled and deemed to be withdrawn.

Unless the bid is cancelled and deemed to be withdrawn, the Manager shall notify the Underwriters participating in the Account, in one or more Pricing Wires at or prior to the time of the Pricing Wire ~~allotting~~ allocating the Securities, whether the Issuer has determined to apply the hold-the-offering-price rule to any maturity (or to any separate CUSIP number within that maturity) of the Securities.

In the event that the hold-the-offering-price rule shall be applicable to any maturity of the Securities, each Underwriter participating in the Account agrees that, so long as the hold-the-offering-price rule remains applicable to that maturity, it will neither offer nor sell unsold Securities 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:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Manager has notified the Underwriters that the Account has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

Each Underwriter acknowledges that it shall be solely liable for its failure to comply with the requirements of this section, including, but not limited to, its agreement ~~regarding to comply with~~ the hold-the-offering-price rule ~~and that, if applicable to the Securities.~~ Notwithstanding any provisions in the notice of sale relating to liability of the Account to the Issuer in connection with the establishment of issue price of the Securities, as among the Underwriters participating in the Account, no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a ~~retail~~third-party distribution agreement, to comply with its corresponding agreement regarding the establishment of the issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Securities, if applicable to the Securities. In the event that the Account, or any one or more Underwriters participating in the Account, become liable or make any payment to the Issuer as a result of the failure of any Underwriter, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its agreement regarding the establishment of the issue price of the Securities, the Underwriter that has failed to comply, or the Underwriter that is party to such third-party distribution agreement, shall indemnify the other Underwriters participating in the Account for any such liability or payment, in accordance with this Master Agreement.

In the event that a selling group is created in connection with the initial sale of the Securities to the public, the Manager agrees that the Selling Group Agreement shall contain the agreement of each dealer who is a member of the selling group:

(A)(i) to (i) report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Manager that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager [see drafter's note below],~~ and (ii) to comply with the hold-the-offering-price rule, ~~in each case~~ if and for so long as directed by the Manager and as set forth in the related Pricing Wires. ~~Each Underwriter~~

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

(C) that any third-party distribution agreement that is employed by such dealer in connection with the initial sale of the Securities to the public ~~agrees that the retail distribution agreement~~ shall contain (a) the agreement of each broker-dealer who

is a party to ~~the retail~~that third-party distribution agreement to (i) report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Manager or the ~~Underwriter~~dealer that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public and,~~ provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager or the dealer [see drafter's note below], (ii) comply with the hold-the-offering-price rule, ~~in each case~~ if and for so long as directed by the Manager or the ~~Underwriter~~dealer and as set forth in the related Pricing Wires, ~~and~~ (iii) promptly notify the Manager or the dealer of any sales of Securities that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below), and (b) the acknowledgement that, unless otherwise advised by the broker-dealer, the Manager shall assume that each order submitted by the broker-dealer is a sale to the public.

Each Selling Group Agreement also shall contain an acknowledgement by the dealer that, unless otherwise advised by the dealer, the Manager shall assume that each order submitted by the dealer is a sale to the public.

Each Underwriter who is a party to a third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public agrees that the third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement to:

(A)(i) report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Manager or the underwriter that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager or the underwriter [see drafter's note below], and (ii) comply with the hold-the-offering-price rule, if and for so long as directed by the Manager or the underwriter and as set forth in the related Pricing Wires, and

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

Each third-party distribution agreement also shall contain an acknowledgement by the broker-dealer that, unless otherwise advised by the broker-dealer, the Manager shall assume that each order submitted by the broker-dealer is a sale to the public.

If the hold-the-offering price rule shall be applicable to any maturity of the Securities, the Manager shall advise the Underwriters participating in the Account in one or more Pricing Wires of:

- (1) the maturity date and CUSIP number of that maturity; and

- (2) the date and time when the 10% test has been satisfied for that maturity, if such date occurs sooner than the close of business on the fifth (5th) business day after the sale date.

Each Underwriter acknowledges that sales of any Securities to any person that is a related party to an ~~Underwriter~~ underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Each Underwriter agrees to promptly notify the Manager of any sales of Securities by it (or by any participant in a third-party distribution network that it has established) that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public. Each Underwriter acknowledges that, unless otherwise advised by that Underwriter, the Manager shall assume that each order submitted by that Underwriter (or by any participant in a third-party distribution network that it has established) is a sale to the public. Each Underwriter agrees to provide to the Manager, upon request of the Manager, a current listing of the Underwriter's related parties that could reasonably be expected to purchase Securities in primary offerings subject to this Agreement.

Each Underwriter further agrees to promptly notify the Manager of any failure on its part, or, to its knowledge, on the part of any participant in a third-party distribution network that it has established, to comply with the requirements for establishing issue price of the Securities as set forth in this section. Unless otherwise advised by an Underwriter, the Manager shall assume that the Underwriter and each participant in a third-party distribution network that it has established have complied with such requirements for establishing issue price of the Securities.

For purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~ third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~ (A) 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) B)~~ (B) 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) C)~~ (C) 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 that the Securities are awarded by the Issuer to the winning bidder.

Drafter's Notes:

~~(i) The Issue Price Regulations use the term "substantial amount," which is defined as ten percent. (i) See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

(ii) This rider is intended to be included as an addendum to the Initial Wire establishing the Account for the purchase and sale of an issue of Securities. Additional direction to the Underwriters participating in the Account as to their obligations under this section will be provided by the Manager through one or more Pricing Wires.

~~(iii)(ii) The Issue Price Regulations use the term "substantial amount," which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

(iii) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, each Underwriter, member of the selling group or broker-dealer that is party to a third-party distribution agreement is obligated to continue to report the prices, whether or not the Closing Date has occurred, at which it sells the unsold Securities of that maturity to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Manager (or of the dealer or underwriter that is party to the third-party distribution agreement). In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

(iv) This rider requires that any selling group agreement established by the Manager in connection with the initial sale of the Securities to the public will contain the required language obligating members of the selling group to report prices at which Securities are sold and/or comply with the hold-the-offering-price rule, as directed by the Manager and as set forth in the related Pricing Wires. In addition, this rider requires that any Underwriter or selling group member who is a party to a retail third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public will include similar language in that retail third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold and/or comply with the hold-the-offering-price rule, as directed in the related Pricing Wires. Suggested language for selling group agreements and retail third-party distribution agreements is set forth below.

(v) The Underwriters' obligation to purchase the Securities generally will be a joint and several obligation. Unless otherwise agreed, however, the obligation of each Underwriter to comply with its agreement regarding the requirements for the establishment of issue price of the Securities, including, but not limited to its agreement to comply with the hold-the-offering-price rule, will be a several obligation of each Underwriter and no Underwriter will be liable for the failure of any other Underwriter, or 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.

III. Selling Group Agreement ~~-Negotiated~~

Establishment of Issue Price

The Manager shall take such actions as may be necessary to assist the Issuer in establishing the issue price of the Securities, including the execution and delivery to the Issuer of an "issue price" or similar certificate in form and substance satisfactory to the Manager.

~~The Dealers participating in the Group shall assist the Manager in establishing the issue price of the Securities, including providing such information regarding sales of the Securities (including sales to any person that is a related party to a Dealer or an Underwriter) as the Manager may request from time to time. Unless otherwise notified by the Manager, the Dealers shall assume that the Issuer will treat the first price at which 10% of each maturity of the Securities (the "10% test" [see drafter's note below]) 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 the 10% test has not been satisfied as to any maturity of the Securities, each Dealer participating in the Group agrees to promptly report to the Manager the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Dealer has sold all Securities of that maturity allotted to it or (ii) the Manager notifies the Underwriters and the Group that the 10% test has been satisfied as to the Securities of that maturity.~~ "related party" to an "underwriter" participating in the initial sale of the Securities to the "public", each such term being used as defined below) as the Manager may request from time to time.

[See drafter's note below] Provisions Relating to a Competitive Sale of the Securities. If a competitive sale of the Securities, unless otherwise notified by the Manager, the Dealers shall assume that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Securities) (the "competitive sale requirements") will be satisfied and that the Issuer will treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Securities. In the event that the competitive sale requirements are not satisfied, the Issuer may determine to treat (i) the first price at which 10% of each maturity of the Securities (the "10% test" [see drafter's note below]) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Securities as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).

In certain circumstances, the notice of sale for the Securities may provide that a bid submitted by the Manager will be cancelled and deemed withdrawn in the event that the competitive sale requirements are not satisfied and the Issuer determines to require the underwriters participating in the account and the Dealers participating in the Group to apply the hold-the-offering-price rule to any maturity of the Securities, unless the Manager confirms the bid on the sale date and accepts, on behalf of the underwriters participating in the account and the Dealers participating in the Group, the restrictions set forth below, which will allow the Issuer to apply the hold-the-offering-price rule to the Securities. The Manager shall promptly notify the Dealers participating in the Group on the sale date if the bid has been cancelled and deemed to be withdrawn.

Unless the bid is cancelled and deemed to be withdrawn, the Manager shall notify the Dealers participating in the Group, in one or more Pricing Wires at or prior to the time of the Pricing Wire ~~allotting~~ allocating the Securities, whether the Issuer has determined to apply the hold-the-offering-price rule to any maturity (or to any separate CUSIP number within that maturity) of the Securities.

Provisions Relating to a Negotiated Sale of the Securities. If a negotiated sale of the Securities, unless otherwise notified by the Manager, the Dealers shall assume that the Issuer will treat the first price at which 10% of each maturity of the Securities (the “10% test” [see drafter’s note below]) is sold to the public as the issue price of that maturity. The Manager shall notify the Dealers participating in the Group, in one or more Pricing Wires at or prior to the time of the Pricing Wire allocating the Securities, if the 10% test has not been satisfied as to any maturity of the Securities and whether the Manager has agreed, on behalf of the underwriters participating in the account and the Dealers participating in the Group, to accept the restrictions set forth ~~in the next sentence below~~, which will allow the Issuer to treat the initial offering price to the public as of the sale date of that maturity as the issue price of that maturity (the “hold-the-offering-price rule”). For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

Provisions Relating to Competitive and Negotiated Sale of the Securities. If the 10% test has not been satisfied as to any maturity of the Securities allocated to it, each Dealer participating in the Group agrees to promptly report to the Manager the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Dealer has sold all Securities of that maturity allocated to it or (ii) the Manager advises the underwriters participating in the account and the Group that the 10% test has been satisfied as to the Securities of that maturity, provided that, the Dealers’ reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager [see drafter’s note below].

In the event that the hold-the-offering-price rule shall be applicable to any maturity of the Securities allocated to it, each Dealer participating in the Group agrees that, so long as the hold-the-offering-price rule remains applicable to that maturity, it will neither offer nor sell unsold Securities 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:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Manager has notified the Dealers that the Group has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

Each Dealer acknowledges that it shall be solely liable for its failure to comply with the requirements of this section, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities. In the event that the Manager or the underwriters participating in the account become liable or make any payment to the Issuer (or to or on behalf of the underwriters) as a result of the failure of the Dealer to comply with its agreement regarding the ~~hold-the-offering-price rule~~ establishment of the issue price of the Securities, the Dealer shall indemnify the Manager and the underwriters participating in the account for any such liability or payment, in accordance with this Agreement.

Each Dealer further agrees:

(A) to promptly notify the Manager of any sales of Securities by it (or by any participant in a third-party distribution network that it has established) that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below); the Dealer acknowledges that, unless it otherwise advises the Manager, the Manager shall assume that each order submitted by the Dealer

(or by any participant in a third-party distribution network that it has established) is a sale to the public, and

(B) that any third-party distribution agreement that is employed by the Dealer in connection with the initial sale of the Securities to the public shall contain (a) the agreement of each broker-dealer who is a party to that third-party distribution agreement to (i) report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Manager or the Dealer that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Manager or the Dealer [see drafter's note below], (ii) comply with the hold-the-offering-price rule, if and for so long as directed by the Manager or the Dealer and as set forth in the related Pricing Wires, and (iii) promptly notify the Manager or the Dealer of any sales of Securities that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below), and (b) the acknowledgement that, unless otherwise advised by the broker-dealer, the Manager shall assume that each order submitted by the broker-dealer is a sale to the public.

If the hold-the-offering price rule shall be applicable to any maturity of the Securities, the Manager shall advise the Dealers participating in the Group in one or more Pricing Wires of:

- (1) the maturity date and CUSIP number of that maturity; and
- (2) the date and time when the 10% test has been satisfied for that maturity, if such date occurs sooner than the close of business on the fifth (5th) business day after the sale date.

Each Dealer acknowledges that sales of any Securities to any person that is a related party to an ~~Underwriter or a Dealer~~ underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Each Dealer agrees to provide to the Manager, upon request of the Manager, a current listing of the Dealer's related parties that could reasonably be expected to purchase Securities in primary offerings subject to this Agreement.

Each Dealer further agrees to promptly notify the Manager of any failure on its part, or, to its knowledge, on the part of any participant in a third-party distribution network that it has established, to comply with the requirements for establishing issue price of the Securities as set forth in this section. Unless otherwise advised by a Dealer, the Manager shall assume that the Dealer and each participant in a third-party distribution network that it has established have complied with such requirements for establishing issue price of the Securities.

For purposes of this section:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),

(iii) a purchaser of any of the Securities is a “related party” to an underwriter or a Dealer if the underwriter and the purchaser or the Dealer and the purchaser, as applicable, are subject, directly or indirectly, to ~~(i) at least~~(A) 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) B~~ 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) C~~ 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 (A) for a competitive sale of the Securities, the date that the Securities are awarded by the Issuer to the winning bidder and (B) for a negotiated sale of the Securities, the date of execution of the Purchase Contract by all parties. [See drafter’s note below]

Drafter’s Notes:

~~(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

~~(ii) This rider is intended to be included as an addendum to the Initial Wire establishing the selling group for the purchase and sale of an issue of Securities. Additional direction to the Dealers participating in the Group as to their obligations under this section will be provided by the Manager through one or more Pricing Wires.~~

~~(ii) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

~~Retail~~ (iii) If the Selling Group Agreement to which the rider is attached is intended only to be used for negotiated sales of Securities, delete the provisions relating to competitive sales of Securities – the third, fourth and fifth paragraphs of the rider and clause (A) in the definition of “sale date.”

(iv) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, each member of the selling group or broker-dealer that is party to a third-party distribution agreement is obligated to continue to report the prices, whether or not the Closing Date has occurred, at which it sells the unsold Securities of that maturity to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Manager (or of the dealer that is party to the third-party distribution agreement). In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

(v) This rider requires that any selling group member who is a party to a third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public will include language in that third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold and/or comply with the hold-the-offering-price rule, as directed in the related Pricing Wires. Suggested language for selling group agreements and third-party distribution agreements is set forth below.

IV. Third-Party Distribution Agreement ~~-Negotiated~~

Establishment of Issue Price

[Name of Underwriter] (the “Underwriter”) shall take such actions as may be necessary to assist the Issuer in establishing the issue price of the Securities, including the execution and delivery to the Issuer of an “issue price” or similar certificate in form and substance satisfactory to the Underwriter.

In addition to the obligations otherwise set forth in this Agreement, [name of Broker-Dealer] (the “Broker-Dealer”) shall assist the Underwriter in establishing the issue price of the Securities, including providing such information and certifications regarding sales of the Securities (including sales to any person that is a “related party” to an “underwriter” participating in the Broker-Dealer or the Underwriter initial sale of the Securities to the “public”, each such term being used as defined below) as the Underwriter may request from time to time. ~~Unless~~

[See drafter’s note below] Provisions Relating to a Competitive Sale of the Securities. If a competitive sale of the Securities, unless otherwise notified by the Underwriter, the Broker-Dealer shall assume that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Securities) (the “competitive sale requirements”) will be satisfied and that the Issuer will treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Securities. In the event that the competitive sale requirements are not satisfied, the Issuer may determine to treat (i) the first price at which 10% of each maturity of the Securities (the “10% test” [see drafter’s note below]) is sold to the public as the issue price of that maturity (and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Securities as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity-will be subject to the).

In certain circumstances, the notice of sale for the Securities may provide that a bid submitted will be cancelled and deemed withdrawn in the event that the competitive sale requirements are not satisfied and the Issuer determines to require the underwriters participating in the account to apply the hold-the-offering-price rule to any maturity of the Securities, unless the Underwriter (or the senior manager on behalf of an underwriting syndicate) confirms the bid on the sale date and accepts, on behalf of the underwriters, the restrictions set forth below, which will allow the Issuer to apply the hold-the-offering-price rule to the Securities. The Underwriter shall promptly notify the Broker-Dealer on the sale date if the bid has been cancelled and deemed to be withdrawn.

Unless the bid is cancelled and deemed to be withdrawn, the Underwriter shall notify the Broker-Dealer, in one or more Pricing Wires at or prior to the time of the Pricing Wire allocating the Securities, whether the Issuer has determined to apply the hold-the-offering-price rule to any maturity (or to any separate CUSIP number within that maturity) of the Securities.

Provisions Relating to a Negotiated Sale of the Securities. If a negotiated sale of the Securities, unless otherwise notified by the Underwriter, the Broker-Dealer shall assume that the Issuer will treat the first price at which 10% of each maturity of the Securities (the “10% test)-. If [see drafter’s note below] is sold to the public as the issue price of that maturity. The Underwriter shall notify the Broker-Dealer, in one or more Pricing Wires at or prior to the time of the Pricing Wire allocating the Securities, if the 10% test has not been satisfied as to any maturity of the Securities and whether the Underwriter (or the senior manager on behalf of the underwriting syndicate) has agreed to accept the restrictions set forth below, which will allow the Issuer to treat the initial offering price to the public as of the sale date of that maturity as the issue price of that maturity

(the “hold-the-offering-price rule”). For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

Provisions Relating to Competitive and Negotiated Sale of the Securities. If the 10% test has not been satisfied as to any maturity of the Securities allocated to it, the Broker-Dealer agrees to promptly report to the Underwriter the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Broker-Dealer has sold all Securities of that maturity ~~allotted~~ allocated to it or (ii) the ~~Broker-Dealer has been notified by the~~ Underwriter or the senior manager on behalf of ~~an~~ the underwriting syndicate advises the Broker-Dealer that the 10% test has been satisfied as to the Securities of that maturity, provided that, the Broker-Dealers’ reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the senior manager [see drafter’s note below].

~~The Underwriter shall notify the Broker-Dealer, in one or more Pricing Wires at or prior to the time of the Pricing Wire allotting the Securities, if the 10% test has not been satisfied as to any maturity of the Securities and whether the Underwriter (or if the Underwriter is a member of an underwriting syndicate, the senior manager on behalf of the underwriting syndicate) has agreed to accept the restrictions set forth in the next sentence, which will allow the Issuer to treat the initial offering price to the public as of the sale date of that maturity as the issue price of that maturity (the “hold-the-offering-price rule”). In the event that the hold-the-offering-price rule shall be applicable to any maturity of the Securities~~In the event that the hold-the-offering-price rule shall be applicable to any maturity of the Securities allocated to it, the Broker-Dealer agrees that, so long as the hold-the-offering-price rule remains applicable to that maturity, it will neither offer nor sell unsold Securities 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:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Broker-Dealer has been notified that at least 10% of that maturity of the Securities has been sold to the public at a price that is no higher than the initial offering price to the public.

The Broker-Dealer acknowledges that it shall be solely liable for its failure to comply with the requirements of this section, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities. In the event that the Underwriter becomes liable or makes any payment to the Issuer (or to or on behalf of the underwriting syndicate) as a result of the failure of the Broker-Dealer to comply with its agreement regarding the ~~hold-the-offering-price rule~~ establishment of the issue price of the Securities, the Broker-Dealer shall indemnify the Underwriter for any such liability or payment, in accordance with this Agreement.

The Broker-Dealer further agrees to promptly notify the senior manager or the Underwriter of any sales of Securities that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below); the Broker-Dealer acknowledges that, unless it otherwise advises the senior manager or the Underwriter, the senior manager and the Underwriter shall assume that each order submitted by the Broker-Dealer is a sale to the public.

If the hold-the-offering price rule shall be applicable to any maturity of the Securities, the Underwriter shall advise the Broker-Dealer in one or more Pricing Wires of:

- (1) the maturity date and CUSIP number of that maturity; and

- (2) the date and time when the 10% test has been satisfied for that maturity, if such date occurs sooner than the close of business on the fifth (5th) business day after the sale date.

The Broker-Dealer acknowledges that sales of any Securities to any person that is a related party to ~~the Underwriter or an underwriter participating in the initial sale of the Broker-Dealer Securities to the public (each such term being used as defined below)~~ shall not constitute sales to the public for purposes of this section. The Broker-Dealer agrees to provide to the Underwriter, upon request of the Underwriter, a current listing of the Broker-Dealer's related parties that could reasonably be expected to purchase Securities in primary offerings subject to this Agreement.

The Broker-Dealer further agrees to promptly notify the senior manager or the Underwriter of any failure on its part to comply with the requirements for establishing issue price of the Securities as set forth in this section. Unless otherwise advised by the Broker-Dealer, the senior manager and the Underwriter shall assume that the Broker-Dealer has complied with such requirements for establishing issue price of the Securities.

For purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter or the Broker-Dealer if the underwriter and the purchaser or the Broker-Dealer and the purchaser, as applicable, are subject, directly or indirectly, to ~~(i)~~(A) at least 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)~~(B) 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)~~(C) 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 (A) for a competitive sale of the Securities, the date that the Securities are awarded by the Issuer to the winning bidder and (B) for a negotiated sale of the Securities, the date of execution of the Purchase Contract by all parties. [See drafter's note below]

Drafter's Notes:

~~(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

(ii) This rider is intended to be included as an addendum to any ~~retail~~third-party distribution agreement that may be employed in connection with the purchase and sale of an issue of Securities. Additional direction to the Broker-Dealer as to its obligations under this section will be provided through one or more Pricing Wires from the Underwriter or from the senior manager of ~~an~~the underwriting syndicate for Securities that are to be offered to the public by the Broker-Dealer pursuant to the ~~retail~~third-party distribution agreement.

(ii) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.

(iii) If the third-party distribution agreement to which the rider is attached is intended only to be used for negotiated sales of Securities, delete the provisions relating to competitive sales of Securities – the third, fourth and fifth paragraphs of the rider and clause (A) in the definition of “sale date.”

(iv) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, the Broker-Dealer is obligated to continue to report the prices, whether or not the Closing Date has occurred, at which it sells the unsold Securities of that maturity to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Underwriter or the senior manager. In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

V. Bond Purchase Agreement

A. Insert for Bond Purchase Agreement – sole underwriter

Section []. Establishment of Issue Price

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit [X], with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Securities. [All actions to be taken by the Issuer under this section to establish the issue price of the Securities may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.] *[See drafter’s ~~notes~~note below]*

(b) [Except as otherwise set forth in Schedule [I] attached hereto,] the Issuer will treat the first price at which 10% of each maturity of the Securities (the “10% test” *[see drafter’s note below]*) 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).~~ At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Securities. [If at that time the 10% test has not been satisfied as to any maturity of the Securities, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until ~~the 10% test has been satisfied as to the Securities of that maturity or until all Securities of that maturity have been sold to the public.~~ either (i) the Underwriter has sold all Securities of that maturity or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. *[See drafter’s note below]* For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

[Schedule [I] and subsection (c) shall apply only if the Underwriter agrees to apply the hold-the-offering-price rule, as described below.]

(c) The Underwriter confirms that it has offered the Securities to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule [I] attached hereto, except as otherwise set forth therein. Schedule [I] also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Securities for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Securities, the Underwriter will neither offer nor sell unsold Securities 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:

- (1) the close of the fifth (5th) business day after the sale date; or

- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

The Underwriter ~~shall promptly will~~ advise the Issuer ~~when promptly after the close of the fifth (5th) business day after the sale date whether~~ it has sold 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public, ~~if that occurs prior to the close of the fifth (5th) business day after the sale date.~~

(d) The Underwriter confirms that:

(i) any selling group agreement and any ~~retail~~third-party distribution agreement relating to the initial sale of the Securities 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 ~~retail~~third-party distribution agreement, as applicable, ~~to~~:

~~(A)~~(i) to report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Underwriter that either the 10% test has been satisfied as to the Securities of that maturity or all Securities of that maturity have been sold to the public, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter [see drafter's note below], and ~~(B)~~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.

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

(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 Securities 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 Securities 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 Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer [see drafter's note below], and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

~~(e)~~ (e) The Issuer acknowledges that, in making the ~~representation~~representations set forth in this ~~subsection~~section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Securities 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a ~~retail~~third-party distribution agreement was employed in connection with the initial sale of the Securities to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the ~~hold-the-offering-~~requirements for establishing issue price rule of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in the ~~retail~~third-party distribution agreement and the related pricing wires. The Issuer 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 ~~retail~~third-party distribution agreement, to comply with its corresponding agreement ~~regarding~~to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule ~~as, if~~ applicable to the Securities.

~~(e)~~(f) The Underwriter acknowledges that sales of any Securities to any person that is a related party to ~~the Underwriter~~an underwriter participating in the initial sale of the Securities 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,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~(A) 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) B~~ 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) C~~ 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 Bond Purchase Agreement by all parties.

Drafter’s Notes:

(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.

(ii) Issuers who intend to allow the Issuer’s municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under the Bond Purchase Agreement and to receive notices or reports on the Issuer’s behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.

(iii) If at the time the Bond Purchase Agreement is executed, the 10% test has been satisfied for all maturities of the Securities, delete the bracketed language in the third and fourth sentences of paragraph (b). In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, the Underwriter, each member of any selling group and any broker-dealer that is party to a third-party distribution agreement are obligated to continue to report the prices, whether or not the Closing Date has occurred, at which it sells the unsold Securities of that maturity to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Issuer, bond counsel or the Underwriter. In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

~~(iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.~~

Drafter’s Notes:

~~(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

~~(ii) Issuers who intend to allow the Issuer’s municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under the Bond Purchase Agreement and to receive notices or reports on the Issuer’s behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.~~

(iii) The Bond Purchase Agreement insert contemplates that the form of issue price certificate will be attached as an exhibit to the Bond Purchase Agreement, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Securities. Bond Counsel is encouraged to make available to the Underwriter and the Issuer the form of issue price certificate as early as possible in the course of the transaction. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the Underwriter provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications. The issue price certificate also may be included in the list of documents to be delivered as a condition to closing.

(iv) Schedule [I] is intended to be attached to the Bond Purchase Agreement to identify the initial offering price of the Securities, the maturities, if any, of the Securities for which the 10% test has not been satisfied as of the date of the Bond Purchase Agreement, and those maturities of

the Securities that the Issuer and the Underwriter agree will be subject to the hold-the-offering-price rule. The Issuer and the Underwriter should make that determination prior to execution of the Bond Purchase Agreement. Application of the hold-the-offering-price rule to any maturity of the Securities may not be necessary if the Issuer does not need to establish the issue price of the Securities as of the sale date. If the hold-the-offering-price rule is not applicable to any maturity of the Securities, Schedule [I] and subsection (c) should be omitted and ~~subsection (d)~~subsequent subsections should be renumbered accordingly.

(~~v~~vi) The Bond Purchase Agreement insert requires that any selling group agreement or ~~retail~~third-party distribution agreement established by the Underwriter relating to the initial sale of the Securities to the public will contain the required language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to a ~~retail~~third-party distribution agreement with the Underwriter, as applicable, to report prices at which Securities are sold for the period specified in the Bond Purchase Agreement and/or comply with the hold-the-offering-price rule, if and for so long as directed by the Underwriter and as set forth in the related Pricing Wires. In addition, the Bond Purchase Agreement insert requires that any selling group member who is a party to a third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public will include similar language in that third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold for the period specified in the Bond Purchase Agreement and/or comply with the hold-the-offering-price rule, if and for so long as directed in the related Pricing Wires. Suggested language for selling group agreements and ~~retail~~third-party distribution agreements is set forth above.

B. Insert for Bond Purchase Agreement – multiple underwriters

Section []. Establishment of Issue Price

(a) The Representative, on behalf of the Underwriters, agrees to assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit [X], with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Securities. [All actions to be taken by the Issuer under this section to establish the issue price of the Securities may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.] *[See drafter’s ~~notes~~note below]*

(b) [Except as otherwise set forth in Schedule [I] attached hereto,] the Issuer will treat the first price at which 10% of each maturity of the Securities (the “10% test” *[see drafter’s note below]*) 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).~~ At or promptly after the execution of this Bond Purchase Agreement, the Representative shall report to the Issuer the price or prices at which the Underwriters have sold to the public each maturity of Securities. If at that time the 10% test has not been satisfied as to any maturity of the Securities, the Representative agrees to promptly report to the Issuer the prices at which Securities of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until ~~the 10% test has been satisfied as to the Securities of that maturity or until all Securities of that maturity have been sold to the public, either~~ (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriters’ reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, the Issuer or bond counsel. *[See drafter’s note below]* For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

[Schedule [I] and subsection (c) shall apply only if the Representative agrees to apply the hold-the-offering-price rule, as described below.]

(c) The Representative confirms that the Underwriters have offered the Securities to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule [I] attached hereto, except as otherwise set forth therein. Schedule [I] also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Securities for which the 10% test has not been satisfied and for which the Issuer and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Securities, the Underwriters will neither offer nor sell unsold Securities 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:

- (1) the close of the fifth (5th) business day after the sale date; or

- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

The Representative ~~shall promptly~~ will advise the Issuer ~~when the Underwriters have~~ promptly ~~after the close of the fifth (5th) business day after the sale date whether it has~~ sold 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public, ~~if~~.

(d) The Representative confirms that ~~occurs prior~~:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the ~~close~~ Representative is a party) relating to the initial sale of the ~~fifth (5th) business day~~ Securities to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, 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)(i) to report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the ~~sale date~~ Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative [see drafter's note below], and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires, and

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

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

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Securities 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 Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter or dealer that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer [see drafter's note below], and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the Underwriter or the dealer and as set forth in the related pricing wires.

The Issuer acknowledges that, in making the ~~representation~~representations set forth in this ~~subsection~~section, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Securities 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a ~~retail~~third-party distribution agreement that was employed in connection with the initial sale of the Securities 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in the ~~retail~~third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a ~~retail~~third-party distribution agreement, to comply with its corresponding agreement ~~regarding the hold-the-offering-price rule as applicable to the Securities.~~

(e) ~~The Representative confirms that:~~

~~(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Securities of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Securities of that maturity or all Securities of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and requirements for so long as directed by the Representative and as set forth in the related pricing wires, and~~

~~(f) (ii) any agreement among underwriters relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Securities to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Securities of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the Securities of that maturity or all Securities of that maturity have been sold to the public and (B) establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires. to the Securities. [see drafter's note below]~~

~~(f)~~ The Underwriters acknowledge that sales of any Securities to any person that is a related party to an ~~Underwriter~~underwriter participating in the initial sale of the Securities 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.

~~(f)(h)~~(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a
~~Further, for purposes of this section:~~

~~(i) “public” means any person other than an underwriter or a related party,~~

~~(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a~~ retail~~third-party~~ distribution agreement participating in the initial sale of the Securities to the public),

(iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~ A) 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) B)~~ 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) C)~~ 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 Bond Purchase Agreement by all parties.

Drafter’s Notes:

(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.

(ii) Issuers who intend to allow the Issuer’s municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under the Bond Purchase Agreement and to receive notices or reports on the Issuer’s behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.

~~(iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.~~

Drafter’s Notes:

~~(i) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.~~

~~(ii) Issuers who intend to allow the Issuer’s municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under the Bond Purchase Agreement and to receive notices or reports on the Issuer’s behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.~~

~~(iii)(iii) If at the time the Bond Purchase Agreement is executed, the 10% test has been satisfied for all maturities of the Securities, delete the bracketed language in the third and fourth sentences of paragraph (b). In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, the Underwriters, each member of any selling group and any broker-dealer that is party to a third-party distribution agreement are obligated to continue to report the prices, whether or not the Closing Date has occurred, at which it sells the unsold Securities of that maturity to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Issuer, bond counsel or the Representative. In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.~~

(iv) The Bond Purchase Agreement insert contemplates that the form of issue price certificate will be attached as an exhibit to the Bond Purchase Agreement, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the Representative, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Securities. Bond Counsel is encouraged to make available to the Representative and the Issuer the form of issue price certificate as early as possible in the course of the transaction. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the Representative provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications. The issue price certificate also may be included in the list of documents to be delivered as a condition to closing.

(iv) Schedule [I] is intended to be attached to the Bond Purchase Agreement to identify the initial offering price of the Securities, the maturities, if any, of the Securities for which the 10% test has not been satisfied as of the date of the Bond Purchase Agreement, and those maturities of the Securities that the Issuer and the Representative agree will be subject to the hold-the-offering-price rule. The Issuer and the Representative should make that determination prior to execution of the Bond Purchase Agreement. Application of the hold-the-offering-price rule to any maturity of the Securities may not be necessary if the Issuer does not need to establish the issue price of the Securities as of the sale date. If the hold-the-offering-price rule is not applicable to any maturity of the Securities, Schedule [I] and subsection (c) should be omitted and subsequent subsections ~~(d) and (e)~~ should be renumbered accordingly.

(v) The Bond Purchase Agreement insert requires that any agreement among underwriters, selling group agreement or ~~retail~~third-party distribution agreement established by the Representative relating to the initial sale of the Securities to the public will contain the required language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to a ~~retail~~third-party distribution agreement with the Representative, as applicable, to report prices at which Securities are sold for the period specified in the Bond Purchase Agreement and/or comply with the hold-the-offering-price rule, if and for so long as directed by the Representative and as set forth in the related Pricing Wires. In addition, the Bond Purchase Agreement insert requires that any underwriter or selling group member who is a party to a ~~retail~~third-party distribution agreement that is employed in connection with the initial sale of the Securities to the public will include similar language in that ~~retail~~third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold for the period specified in the Bond Purchase Agreement and/or comply with the hold-the-offering-price rule, if and for so long as directed in the related Pricing Wires. Suggested language for agreements among underwriters, selling group agreements and ~~retail~~third-party distribution agreements is set forth above.

(vii) The Underwriters' obligation under the Bond Purchase Agreement to purchase the Securities generally will be a joint and several obligation. Unless otherwise agreed, however, the obligation of each Underwriter to comply with its agreement regarding the requirements for the establishment of issue price of the Securities, including, but not limited to its agreement to comply with the hold-the-offering-price rule, is a several obligation of each Underwriter and no Underwriter will be liable for the failure of any other Underwriter, or 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.

VI. Notice of Sale

A. Alternative I: 10% Test to Apply if Competitive Sale Requirements are Not Satisfied

Establishment of Issue Price (10% Test to Apply if Competitive Sale Requirements are Not Satisfied)

(a) The winning bidder shall assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Securities, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit [X], with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. [All actions to be taken by the Issuer under this Notice of Sale to establish the issue price of the Securities may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.] [See drafter’s ~~notes~~note below]

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Securities) will apply to the initial sale of the Securities (the “competitive sale requirements”) because:

- (1) the Issuer shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Securities to the bidder who submits a firm offer to purchase the Securities at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Securities, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer shall treat the first price at which 10% of a maturity of the Securities (the “10% test” [see drafter’s note below]) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Issuer if any maturity of the Securities satisfies the 10% test as of the date and time of the award of the Securities. The Issuer will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Securities as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Securities will be subject to the 10% test in order to establish the issue price of the Securities.

(d) If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Securities, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Securities of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity ~~or until all Securities of that maturity have been sold~~, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. [See drafter's note below]

(e) By submitting a bid, each bidder confirms that:

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

(A) to report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the winning bidder that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public, if and for so long as directed by the~~, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder and as set forth in the related pricing wires, and [see drafter's note below].

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

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

~~(f)~~ (ii) ~~any~~ any agreement among underwriters or selling group agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a ~~retail~~third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public to require each broker-dealer that is a party to such ~~retail~~third-party distribution agreement to report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted to it~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of~~, provided that ~~maturity have been sold to~~ the public, if and for so long as directed by reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter and as set forth in the related pricing wires. [see drafter's note below].

~~(g)~~(f) Sales of any Securities to any person that is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~(A) 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) B~~ 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) C~~ 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 that the Securities are awarded by the Issuer to the winning bidder.

Drafter’s Notes:

(i) Alternative I generally may be used if (a) the Issuer does not need to determine the issue price of the Securities on the sale date, (b) the initial sale of the Securities may not satisfy the competitive sale requirements, as defined in the Issue Price Regulations, and (c) the Issuer will use the 10% test to establish the issue price and will not apply the hold-the-offering-price rule to any maturity of the Securities in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Securities will be subject to the 10% test in order to establish the issue price of the Securities. Bids will not be subject to cancellation or withdrawal in the event that the initial sale of the Securities does not satisfy the competitive sale requirements.

(ii) Issuers who intend to allow the Issuer’s municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under this Notice of Sale and to receive notices or reports on the Issuer’s behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.

(iii) If permitted by the Notice of Sale, the winning bidder's assistance to the Issuer in establishing the issue price of the Securities may include adjusting the par amount of the Securities to be awarded.

~~(iv)~~ (iv) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, the winning bidder is obligated to continue to report the prices, whether or not the Closing Date has occurred, at which the unsold Securities of that maturity have been sold to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. In transactions where issue price of the Securities is important, the reporting obligation may be more frequent.

(v) The Notice of Sale contemplates that the form of issue price certificate will be attached as an exhibit, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the winning bidder provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications.

~~(vi)~~ (vi) The Notice of Sale requires that any agreement among underwriters, selling group agreement or ~~retail~~third-party distribution agreement established by the winning bidder will contain the required language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to a ~~retail~~third-party distribution agreement with the winning bidder, as applicable, to report prices at which Securities are sold, ~~if and for so long the period specified in the Notice of Sale, and~~ as directed by the winning bidder ~~and as set forth~~ in the related Pricing Wires. In addition, the Notice of Sale requires that any underwriter or selling group member who is a party to a ~~retail~~third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public will include similar language in that ~~retail~~third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold, ~~if and for so long as the period specified in the Notice of Sale, and as~~ directed in the related Pricing Wires. Suggested language for agreements among underwriters, selling group agreements and ~~retail~~third-party distribution agreements is set forth above.

~~(vi)~~ (vii) The Underwriters' obligation to purchase the Securities generally will be a joint and several obligation. Unless otherwise agreed, however, the obligation of each Underwriter to comply with its agreement regarding the requirements for the establishment of issue price of the Securities will be a several obligation of each Underwriter and no Underwriter will be liable for the failure of any other Underwriter, or 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 Securities.

(viii) If a rider for official confirmation of bids (electronic bids) or a bid form (paper bids) is required, see the form of bid form rider included in Part E below.

B. Alternative II: Hold-the-Offering-Price Rule May Apply if Competitive Sale Requirements are Not Satisfied

Establishment of Issue Price (Hold-the-Offering-Price Rule May Apply if Competitive Sale Requirements are Not Satisfied)

(a) The winning bidder shall assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Securities, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit [X], with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. [All actions to be taken by the Issuer under this Notice of Sale to establish the issue price of the Securities may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.] [See drafter’s ~~notes~~note below]

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Securities) will apply to the initial sale of the Securities (the “competitive sale requirements”) because:

- (1) the Issuer shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Securities to the bidder who submits a firm offer to purchase the Securities at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Securities, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer may determine to treat (i) the first price at which 10% of a maturity of the Securities (the “10% test” [see drafter’s note below]) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Securities as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Issuer if any maturity of the Securities satisfies the 10% test as of the date and time of the award of the Securities. The Issuer shall promptly advise the winning bidder, at or before the time of award of the Securities, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Securities shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Securities. Bidders should prepare their bids on the assumption that some or all of the maturities of the Securities will be subject to the hold-the-offering-price rule in order to establish the issue price of the Securities.

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Securities to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Securities, that the underwriters will neither offer nor sell unsold Securities of any maturity to which the hold-the-offering-price rule shall apply 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:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

The winning bidder ~~shall promptly will~~ advise the Issuer ~~when the underwriters have~~ promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public; ~~if that occurs prior to the close of the fifth (5th) business day after the sale date.~~

(e) If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Securities, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Securities of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity—~~or until all Securities of that maturity have been sold.~~ provided that, the winning bidder’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. [See drafter’s note below]

~~(f)~~ ~~(f)~~—The Issuer acknowledges that, in making the ~~representation~~representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Securities 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a ~~retail~~third-party distribution agreement that was employed in connection with the initial sale of the Securities 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in the ~~retail~~third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the ~~hold-the-offering~~ requirements for establishing issue price rule of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a ~~retail~~third-party distribution agreement to comply with its corresponding agreement ~~regarding~~ to comply with the requirements for establishing issue price of the Securities.

including, but not limited to, its agreement to comply with the hold-the-offering-price rule ~~as, if~~ applicable to the Securities.

(g) By submitting a bid, each bidder confirms that:

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

(A) ~~(i) to~~ report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the winning bidder that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder [see drafter's note below]~~, and (B) ~~ii) to~~ comply with the hold-the-offering-price rule, if applicable, ~~in each case~~ if and for so long as directed by the winning bidder and as set forth in the related pricing wires, ~~and (ii) any agreement among underwriters~~

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

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

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a ~~retail~~third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public to require each broker-dealer that is a party to such ~~retail~~third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter [see drafter's note below]~~, and (B) comply with the hold-the-offering-price rule, if applicable, ~~in each case~~ if and for so long as directed by the winning bidder or ~~such~~the underwriter and as set forth in the related pricing wires.

(h) Sales of any Securities to any person that is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~A) 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) B)~~ 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) C)~~ 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 that the Securities are awarded by the Issuer to the winning bidder.

Drafter’s Notes:

(i) Alternative II generally may be used if (a) the Issuer must determine the issue price of the Securities on the sale date (for example, if the Securities are an advance refunding issue), (b) the initial sale of the Securities may not satisfy the competitive sale requirements, as defined in the Issue Price Regulations, and (c) the hold-the-offering-price rule will apply to one or more maturities of the Securities in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that the Issuer will apply the hold-the-offering-price rule in connection with the initial sale of the Securities to the public. Bids will not be subject to cancellation or withdrawal in the event that the competitive sale requirements are not satisfied and the Issuer determines to apply the hold-the-offering-price rule.

(ii) Issuers who intend to allow the Issuer’s municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under this Notice of Sale and to receive notices or reports on the Issuer’s behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.

(iii) If permitted by the Notice of Sale, the winning bidder’s assistance to the Issuer in establishing the issue price of the Securities may include adjusting the par amount of the Securities to be awarded.

(iv) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, the winning bidder is obligated to continue to

report the prices, whether or not the Closing Date has occurred, at which the unsold Securities of that maturity have been sold to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

(v) The Notice of Sale contemplates that the form of issue price certificate will be attached as an exhibit, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the winning bidder provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications.

~~(iv) The Notice of Sale (vi) contemplates that the form of issue price certificate will be attached as an exhibit, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the winning bidder provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications.~~

(v) The Notice of Sale requires that any agreement among underwriters, selling group agreement or ~~retail~~third-party distribution agreement established by the winning bidder will contain the required language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to a ~~retail~~third-party distribution agreement with the winning bidder, as applicable, to report prices at which Securities are sold for the period specified in the Notice of Sale and/or comply with the hold-the-offering-price rule, ~~if and for so long~~ as directed by the winning bidder and as set forth in the related Pricing Wires. In addition, the Notice of Sale requires that any underwriter or selling group member who is a party to a ~~retail~~third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public will include similar language in that ~~retail~~third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold for the period specified in the Notice of Sale and/or comply with the hold-the-offering-price rule, ~~if and for so long~~ as directed in the related Pricing Wires. Suggested language for agreements among underwriters, selling group agreements and ~~retail~~third-party distribution agreements is set forth above.

~~(vi)(vii) The Underwriters' obligation to purchase the Securities generally will be a joint and several obligation. Unless otherwise agreed, however, the obligation of each Underwriter to comply with its agreement regarding the requirements for the establishment of issue price of the Securities, including, but not limited to its agreement to comply with the hold-the-offering-price rule, will be a several obligation of each Underwriter and no Underwriter will be liable for the failure of any other Underwriter, or 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.~~

(viii) If a rider for official confirmation of bids (electronic bids) or a bid form (paper bids) is required, see the form of bid form rider included in Part E below.

- C. Alternative III: Bidders Should Expect that the Competitive Sale Requirements Will be Satisfied - Bids Cancelled if Hold-the-Offering-Price Rule to Apply Unless Bidder Confirms its Bid

Establishment of Issue Price (Bidders Should Expect that the Competitive Sale Requirements Will be Satisfied - Bids Cancelled if Hold-the-Offering-Price Rule to Apply Unless Bidder Confirms its Bid)

(a) The winning bidder shall assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Securities, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit [X], with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. [All actions to be taken by the Issuer under this Notice of Sale to establish the issue price of the Securities may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.] [See drafter’s ~~notes~~note below]

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Securities) will apply to the initial sale of the Securities (the “competitive sale requirements”) because:

- (1) the Issuer shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Securities to the bidder who submits a firm offer to purchase the Securities at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Securities, as specified in the bid. As described in more detail in the following paragraphs, if the competitive sale requirements are not satisfied AND the Issuer determines to apply the hold-the-offering-price rule (as described in the following paragraph) to any maturity of the Securities, all bids shall be cancelled and deemed withdrawn, UNLESS the prospective winning bidder affirmatively confirms its bid and agrees to comply with the hold-the-offering-price rule, in the manner described below.

Bidders should prepare their bids on the assumption that the Issuer will determine the issue price of the Securities either based on the reasonably expected initial offering price to the public or by application of the 10% test. No bidder will be required to comply with the hold-the-offering-price rule in connection with the initial sale of the Securities to the public unless the bidder has confirmed its bid and agreed to comply with the hold-the-offering-price rule, as described below.

Paragraphs (c) through (g) below shall apply only in the event that the competitive sale requirements are not satisfied.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the prospective winning bidder prior to awarding the Securities. The Issuer may determine to treat (i) the first price at which 10% of each maturity of the Securities (the “10% test” [see drafter’s note below]) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Securities as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The prospective winning bidder shall advise the Issuer if any maturity of the Securities satisfies the 10% test as of the date and time of the award of the Securities. The Issuer shall promptly advise the prospective winning bidder, at or before the time of award of the Securities, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Securities shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule.

(d) *If the Issuer has determined to apply the hold-the-offering-price rule to any maturity of the Securities, no award shall be made to the prospective winning bidder and all bids shall be cancelled and deemed withdrawn unless and until the prospective winning bidder has affirmatively confirmed its bid and agreed to comply with the hold-the-offering-price rule. The prospective winning bidder must provide that confirmation to the Issuer no later than 90 (ninety) minutes after receiving notification that the Issuer has determined to apply the hold-the-offering-price rule to any maturity of the Securities. Such confirmation may be provided orally, but must be promptly confirmed in writing.*

If the prospective winning bidder does not provide its confirmation within the required time period, the prospective winning bidder’s bid shall be cancelled and deemed to be withdrawn. The Issuer thereupon may award the Securities to another bidder, provided that the new prospective winning bidder confirms its bid and agrees to comply with the hold-the-offering-price rule, or the Issuer may cancel the sale of the Securities, as set forth in this Notice of Sale. *If the Issuer has determined to apply the 10% test to all maturities of the Securities, no bids shall be cancelled or deemed withdrawn and the Issuer shall award the Securities in accordance with this Notice of Sale. [See drafter’s note below]*

(e) If the Issuer has determined to apply the hold-the-offering-price rule to any maturity of the Securities and the winning bidder has confirmed its bid and its agreement to comply with the hold-the-offering-price rule, the winning bidder shall also confirm that the underwriters have offered or will offer the Securities to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder. The winning bidder further shall agree, on behalf of the underwriters participating in the purchase of the Securities, that the underwriters will neither offer nor sell unsold Securities of any maturity to which the hold-the-offering-price rule shall apply 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:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

The winning bidder ~~shall promptly~~ will advise the Issuer ~~when~~ promptly after the ~~underwriters have~~ close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity

of the Securities to the public at a price that is no higher than the initial offering price to the public, ~~if that occurs prior to the close of the fifth (5th) business day after the sale date.~~

~~(f)~~ ~~(f)~~—Until the 10% test has been satisfied as to each maturity of the Securities, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Securities of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity ~~or until all Securities of that maturity have been sold to~~, provided that, the public-winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. [See drafter's note below]

~~(g)~~ ~~(g)~~—The Issuer acknowledges that, in making the ~~representation~~ representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Securities 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or a dealer who is a member of the selling group is a party to a ~~retail~~ third-party distribution agreement that was employed in connection with the initial sale of the Securities 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in the ~~retail~~ third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the ~~hold-the-offering~~ requirements for establishing issue price rule of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a ~~retail~~ third-party distribution agreement to comply with its corresponding agreement ~~regarding to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with~~ the hold-the-offering-price rule ~~as, if~~ applicable to the Securities.

~~(f)~~ ~~(h)~~ ~~(h)~~—By submitting a bid, each bidder confirms that:

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

~~(A)~~ ~~(i)~~ to report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~ allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the winning bidder that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the~~

public, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder [see drafter's note below], and (B) ~~ii~~ to comply with the hold-the-offering-price rule, if applicable, ~~in each case~~ if and for so long as directed by the winning bidder and as set forth in the related pricing wires, ~~and (ii) any agreement among underwriters~~

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

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

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a ~~retail~~third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public to require each broker-dealer that is a party to such ~~retail~~third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Securities of each maturity ~~allotted~~allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that ~~either~~ the 10% test has been satisfied as to the Securities of that maturity ~~or all Securities of that maturity have been sold to the public~~, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter [see drafter's note below], and (B) comply with the hold-the-offering-price rule, if applicable, ~~in each case~~ if and for so long as directed by the winning bidder or ~~such~~the underwriter and as set forth in the related pricing wires.

(i) Sales of any Securities to any person that is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities 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 Securities to the public (including a member of a selling group or a party to a ~~retail~~third-party distribution agreement participating in the initial sale of the Securities to the public),
- (iii) a purchaser of any of the Securities is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to ~~(i) at least~~(A) 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) B~~ 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 that the Securities are awarded by the Issuer to the winning bidder.

Drafter’s Notes:

(i) Alternative III generally may be used if the initial sale of the Securities is expected to satisfy the competitive sale requirements or if the Issuer does not need to determine the issue price of the Securities on the sale date. If, however, the competitive sale requirements are not satisfied and the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Securities, all bids shall be cancelled and deemed withdrawn, unless the prospective winning bidder affirmatively confirms its bid and agrees to comply with the hold-the-offering-price rule. Bidders should prepare their bids on the assumption that the Issuer will determine the issue price of the Securities either based on the reasonably expected initial offering price to the public or by application of the 10% test. No bidder will be required to comply with the hold-the-offering-price rule in connection with the initial sale of the Securities to the public unless the bidder has confirmed its bid and agreed to comply with the hold-the-offering-price rule.

Complying with the hold-the-offering-price rule may be more costly for bidders, and bidders therefore may factor that additional cost into their bids. The Notice of Sale should state clearly that all bids are cancelled and deemed withdrawn if the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Securities unless the winning bidder confirms its bid and agrees to comply with the hold-the-offering-price rule.

(ii) Issuers who intend to allow the Issuer’s municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under this Notice of Sale and to receive notices or reports on the Issuer’s behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.

(iii) The Issue Price Regulations use the term “substantial amount,” which is defined as ten percent. See Section 1.148-1(f)(4)(ii) of the Treasury Regulations.

(iv) If permitted by the Notice of Sale, the winning bidder’s assistance to the Issuer in establishing the issue price of the Securities may include adjusting the par amount of the Securities to be awarded.

~~(v) The Notice of Sale contemplates that the form of issue price certificate will be attached as an exhibit, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the winning bidder provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications.~~

(v) In the event that the 10% test is applicable and has not been satisfied as to any maturity of the Securities at or prior to the Closing Date, the winning bidder is obligated to continue to report the prices, whether or not the Closing Date has occurred, at which the unsold Securities of that maturity have been sold to the public, provided that, such reports after the Closing Date may be made at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. In transactions where issue price of the Securities is important, the reporting obligation may be more frequent. In transactions where the hold-the-offering-price rule applies to all maturities of the Securities, the only reporting obligation will be with respect to sales of such Securities that occur on or before the fifth business day after the sale date.

(vi) The Notice of Sale contemplates that the form of issue price certificate will be attached as an exhibit, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the winning bidder provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications.

(vii) The Notice of Sale requires that any agreement among underwriters, selling group agreement or ~~retail~~third-party distribution agreement established by the winning bidder will contain the required language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to a ~~retail~~third-party distribution agreement with the winning bidder, as applicable, to report prices at which Securities are sold for the period specified in the Notice of Sale and/or comply with the hold-the-offering-price rule, ~~if and for so long~~ as directed by the winning bidder and as set forth in the related Pricing Wires. In addition, the Notice of Sale requires that any underwriter or selling group member who is a party to a ~~retail~~third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public will include similar language in that ~~retail~~third-party distribution agreement obligating the broker-dealer to report prices at which Securities are sold for the period specified in the Notice of Sale and/or comply with the hold-the-offering-price rule, ~~if and for so long~~ as directed in the related Pricing Wires. Suggested language for agreements among underwriters, selling group agreements and ~~retail~~third-party distribution agreements is set forth above.

~~(vii)~~(viii) The Underwriters' obligation to purchase the Securities generally will be a joint and several obligation. Unless otherwise agreed, however, the obligation of each Underwriter to comply with its agreement regarding the requirements for the establishment of issue price of the Securities, including, but not limited to its agreement to comply with the hold-the-offering-price rule, will be a several obligation of each Underwriter and no Underwriter will be liable for the failure of any other Underwriter, or 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 Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.

(ix) If a rider for official confirmation of bids (electronic bids) or a bid form (paper bids) is required, see the form of bid form rider included in Part E below.

D. Alternative IV: Bidders Should Expect that the Competitive Sale Requirements Will be Satisfied – Sale Will be Cancelled if Competitive Sale Requirements Not Satisfied

Establishment of Issue Price (Bidders Should Expect that the Competitive Sale Requirements Will be Satisfied – Sale Will be Cancelled if Competitive Sale Requirements Not Satisfied)

(a) The winning bidder shall assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public of the Securities, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit [X], with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. [All actions to be taken by the Issuer under this Notice of Sale to establish the issue price of the Securities may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.] [See drafter’s ~~notes~~note below]

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Securities) will apply to the initial sale of the Securities (the “competitive sale requirements”) because:

- (1) the Issuer shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Securities to the bidder who submits a firm offer to purchase the Securities at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Securities, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the Issuer will reject all bids and cancel the sale.

Bidders should prepare their bids on the assumption that the issue price of the Securities will be the reasonably expected initial offering price to the public.

Drafter’s Notes:

(i) Alternative IV generally may be used if the Issuer intends to reject all bids and cancel the sale if the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that the issue price of the Securities will be the reasonably expected initial offering price to the public.

(ii) Issuers who intend to allow the Issuer's municipal advisor to act on behalf of the Issuer for purposes of establishing the issue price of the Securities under this Notice of Sale and to receive notices or reports on the Issuer's behalf should delete the brackets around the last sentence of paragraph (a). Otherwise, that sentence should be modified or deleted.

(iii) If permitted by the Notice of Sale, the winning bidder's assistance to the Issuer in establishing the issue price of the Securities may include adjusting the par amount of the Securities to be awarded.

(iv) The Notice of Sale contemplates that the form of issue price certificate will be attached as an exhibit, although the certificate may remain subject to modification as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. Bond Counsel should note that the National Association of Bond Lawyers has prepared a model form of issue price certificate. The issue price certificate may require that the winning bidder provide reasonable supporting documentation; absent unusual circumstances, the supporting documentation is expected to be the pricing wire or wires or equivalent communications.

(v) If a rider for official confirmation of bids (electronic bids) or a bid form (paper bids) is required, see the form of bid form rider included in Part E below.

E. Rider for Official Confirmation of Bids (Electronic Bids) or Bid Form (Paper Bids)

The following is a suggested rider for official confirmation of bids (electronic bids) or a bid form (paper bids):

This bid is a firm offer for the purchase of the Securities identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds. *[If the bidder cannot confirm an established industry reputation for underwriting new issuances of municipal bonds, the preceding sentence should be crossed out.]*

[Add the following language if, pursuant to the Notice of Sale (Alternative III), the bid will be cancelled and deemed to be withdrawn in the event that the competitive sale requirements are not satisfied and the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Securities, unless the bidder confirms its bid and agrees to comply with the hold-the-offering-price rule]: As set forth in the Notice of Sale, this bid shall be cancelled and deemed to be withdrawn in the event that the competitive sale requirements are not satisfied and the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Securities (such terms are used as described in the Notice of Sale), unless we affirmatively confirm this bid and agree to comply with the hold-the-offering-price rule no later than 90 (ninety) minutes after receiving notification that the Issuer has determined to apply the hold-the-offering-price rule to any maturity of the Securities. If we provide that confirmation orally, we will promptly confirm it in writing. If we do not confirm our bid within the required time period, this bid shall be cancelled and deemed to be withdrawn. The Issuer thereupon may award the Securities to another bidder, or the Issuer may cancel the sale of the Securities, as set forth in the Notice of Sale.

[Add the following language in the event that the bidder does not intend to offer the Securities to the public]: We will not participate in the initial sale of the Securities to the public.