
PLACEMENT AGENT AGREEMENT

by and between

AZUSA UNIFIED SCHOOL DISTRICT

and

RBC CAPITAL MARKETS, LLC

Dated as of June 1, 2022

PLACEMENT AGENT AGREEMENT

THIS PLACEMENT AGENT AGREEMENT (this “Placement Agreement”), dated as of June 1, 2022, is by and between the AZUSA UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”), and RBC CAPITAL MARKETS, LLC (the “Placement Agent”).

WITNESSETH:

WHEREAS, in order to prepay the Azusa Unified School District Certificates of Participation (2012 School Facility Bridge Funding Program), the District caused to be executed and delivered the Azusa Unified School District Certificates of Participation, Series 2015 (the “Prior Certificates”) pursuant to the Trust Agreement, dated as of May 1, 2015, by and among U.S. Bank Trust Company, National Association, as successor trustee (formerly known as U.S. Bank National Association), the District and the Azusa Unified School District Facilities Corporation (the “Corporation”); and

WHEREAS, the Prior Certificates evidence direct, fractional undivided interests of the owners thereof in the base rental payments to be made by the District under the Lease Agreement, dated as of May 1, 2015 (the “Prior Lease”), by and between the District and the Corporation; and

WHEREAS, the District desires to cause the base rental payments of the Prior Lease to be prepaid, thereby prepaying the Prior Certificates, and the Corporation desires to assist the District in such prepayment; and

WHEREAS, in order to accomplish such prepayment, the District will lease certain real property owned by the District and the improvements thereto (the “Property”) to the Corporation pursuant to the Ground Lease, dated as of June 1, 2022 (as originally executed and as it may from time to time be amended or supplemented, the “Ground Lease”), and the District will sublease the Property back from the Corporation pursuant to the Lease Agreement, dated as of June 1, 2022 (as originally executed and as it may from time to time be amended or supplemented, the “Lease Agreement”); and

WHEREAS, the Property, commonly known as Henry Dalton Elementary School and located at 500 East Tenth Street in Azusa, California 91702, is more particularly described in Exhibit A hereto; and

WHEREAS, the District has determined that it would be in the best interests of the District and the Corporation to cause the Corporation’s right, title and interest in and to the Ground Lease and the Lease Agreement to be sold through a private placement; and

WHEREAS, the District desires to engage RBC Capital Markets, LLC as the exclusive placement agent for such sale pursuant to this Placement Agreement; and

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District and the Placement Agent agree as follows:

Section 1. Appointment of Placement Agent; Placement of Lease. (a) The District hereby appoints the Placement Agent to act as the exclusive placement agent for the District in connection with the private sale and delivery of the Corporation's right, title and interest in and to the Ground Lease and the Lease Agreement, and the Placement Agent hereby accepts such appointment. As compensation for its services hereunder, the Placement Agent shall charge a fee equal to \$25,000. At the closing of any such sale, the District shall pay or cause to be paid such fee to the Placement Agent by wire transfer of immediately available funds. The above fee does not include any services the Placement Agent may render in the future to the District with respect to any offering or placement of municipal securities of the District.

(b) The District shall provide the purchaser of the Ground Lease and the Lease Agreement with the opportunity to ask questions and receive answers. Copies of the reports and other documents that have been furnished to the Placement Agent by the District in connection with the proposed offer and sale of the Ground Lease and the Lease Agreement are listed in Exhibit A hereto (it being understood that, prior to the consummation of any sale of the Ground Lease and the Lease Agreement, Exhibit A may be supplemented from time to time as mutually agreed by the parties hereto). The District hereby authorizes the Placement Agent to use such reports and documents in connection with offers and sales of the Ground Lease and the Lease Agreement.

(c) The Placement Agent shall act as the agent of the District in the offering and sale of the Ground Lease and the Lease Agreement and, in connection therewith, the Placement Agent shall use its "best efforts" to place the Ground Lease and the Lease Agreement. This Placement Agreement shall not give rise to any expressed or implied commitment by the Placement Agent to purchase or place the Ground Lease and the Lease Agreement.

(d) The District acknowledges and agrees that: (i) the transaction contemplated by this Placement Agreement is an arm's length, commercial transaction between the District and the Placement Agent in which the Placement Agent is not acting as a municipal advisor, financial advisor or fiduciary to the District; (ii) the Placement Agent has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Placement Agent has provided other services or is currently providing other services to the District on other matters); (iii) the Placement Agent has not assumed any obligation to the District with respect to the transaction contemplated hereby except the obligations expressly set forth in this Placement Agreement; and (iv) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

(e) Notwithstanding any provisions of this Placement Agreement, the use of the term "agent" with reference to the Placement Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom and is intended to create or reflect only an independent contractor relationship between contracting parties and the Placement Agent acts as an independent broker-dealer and exercises its own independent judgment in connection with its rights and duties as Placement Agent.

Section 2. Representations and Covenants of the District. The District represents and agrees as follows:

(a) the District represents that the District is, and will be on the date of execution of the Ground Lease and the Lease Agreement, and the delivery thereof to the purchaser with whom the Ground Lease and the Lease Agreement are placed (the “Closing Date”), a school district organized and existing under the laws of the State of California (the “State”) with full power and authority to observe and perform the covenants and agreements set forth in this Placement Agreement;

(b) the District represents that the execution and delivery of this Placement Agreement and compliance by the District with the provisions hereof do not and will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, statute, indenture, mortgage, deed of trust, bond, note, resolution, agreement or other instrument to which the District is a party or by which the District is bound;

(c) the District represents that the Ground Lease and the Lease Agreement are exempt from registration pursuant to the Securities Act of 1933, as amended; and

(d) the District agrees promptly from time to time to take such action as the Placement Agent may reasonably request to qualify, if such qualification is necessary, the Ground Lease and the Lease Agreement for offering and sale as a private placement under the securities laws of such states as the Placement Agent may reasonably request, and the District further agrees to comply with such laws so as to permit such offers and sales. Any applicable filings will be prepared by the District’s counsel, whose fees and disbursements in connection therewith shall be for the account of the District.

Section 3. Representations of the Placement Agent. The Placement Agent represents as follows:

(a) the Placement Agent represents that the Placement Agent has, and will have as of the Closing Date, full power and authority to observe and perform the covenants and agreements set forth in this Placement Agreement; and

(b) the Placement Agent represents that the execution and delivery of this Placement Agreement and compliance by the Placement Agent with the provisions hereof do not and will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, statute, indenture, mortgage, deed of trust, bond, note, resolution, agreement or other instrument to which the Placement Agent is a party or by which the Placement Agent is bound.

Section 4. Reliance. In providing services under this Placement Agreement, the Placement Agent will rely upon and assume the accuracy and completeness of the financial, accounting, tax and other information of the District reviewed by the Placement Agent for such purpose, and the Placement Agent does not assume responsibility for the accuracy and completeness thereof. The Placement Agent shall have no obligation to conduct any independent evaluation or appraisal of the assets or the liabilities of the District or any other party or to advise or opine on related solvency issues.

Section 5. Termination. This Placement Agreement may be terminated by the District or the Placement Agent at any time with or without cause, effective upon receipt of written notice to that effect by the other party.

Section 6. Notices. Any notice or other communication to be given to any of the parties to this Placement Agreement may be given by delivering the same in writing to the District at: Azusa Unified School District, 546 South Citrus Avenue, Azusa, California 91702, Attention: Assistant Superintendent, Business Services; and to the Placement Agent at: RBC Capital Markets, LLC, Two Embarcadero Center, Suite 300, San Francisco, California 94111.

Section 7. Benefits of Agreement. This Placement Agreement is made solely for the benefit of the District and the Placement Agent, and no other person shall acquire or have any right hereunder or by virtue hereof.

Section 8. Electronic Signature. Each of the parties hereto agrees that the transaction consisting of this Placement Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Agreement using an electronic signature, it is signing, adopting, and accepting this Placement Agreement and that signing this Placement Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Placement Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Placement Agreement in a usable format.

Section 9. Counterparts; Facsimile Execution. This Placement Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10. Governing Law. This Placement Agreement shall be governed by and construed in accordance with the laws of the State of California.

AZUSA UNIFIED SCHOOL DISTRICT

By: _____

RBC CAPITAL MARKETS, LLC

By: _____
Authorized Representative

EXHIBIT A

[To come from Placement Agent.]