

PRE- & POST-ISSUANCE ACTIVITIES RELATED TO REVENUE BONDS

Pre-Issuance & Issuance

Activity	Division(s)	Estimated Frequency or Timing
Assist State Treasurer's Office with Underwriter selection	DFA	At outset, 4 to 6 months prior to Closing
Receive G-17 Disclosure letters	DFA, OCC	4 to 6 months prior to Closing
Attend IBank/Underwriter/STO kick-off meeting	DFA, OCC	4 to 6 months prior to Closing
Conduct and participate in coordination calls between Board staff, IBank, STO, Bond Counsel, Disclosure Counsel, and Underwriters leading up to bond sale	DFA, DAS, OCC	Weekly
Review, edit, and provide input on draft bond documents	DFA, DAS, OCC	Daily/weekly, beginning 4 to 6 months prior to Closing
Ensure that Financial Advisor has up-to-date data for financial analyses	DFA, DAS	Weekly
Analyze and provide information on bond sizing, forecasted disbursement of bond proceeds, and composition of pledge pool	DFA	As necessary, beginning 3 to 4 months prior to Pricing
Address disclosure and diligence issues	DFA, OCC, DAS	As necessary, beginning 3 to 4 months prior to Pricing
Prepare and submit substantially final documents to State Water Board for approval	DFA, OCC	10 to 12 weeks prior to Pricing
Review IBank Board meeting materials and provide input and comments	DFA, OCC, DAS	10 to 12 weeks prior to Pricing
Brief State Water Board members on bond sale	DFA, OCC	6 to 8 weeks prior to Pricing
Provide comments and input on Rating Presentation	DFA, OCC	6 to 8 weeks prior to Pricing
Attend State Water Board Meeting for approval of substantially final documents	DFA, OCC	6 to 8 weeks prior to Pricing
Attend IBank Board Meeting for approval of substantially final bond documents	DFA, OCC	6 to 8 weeks prior to Pricing
Hold calls with the Rating Agencies	DFA, OCC	4 to 6 weeks prior to Pricing
Assist Underwriters with drafting the Investor Roadshow	DFA, OCC	4 to 6 weeks prior to Pricing
Record Investor Roadshow	DFA	3 weeks prior to Pricing
Review Marketing Plan	DFA	2 to 3 weeks prior to Pricing
Research and prepare for Due Diligence Call	DFA, OCC, DAS	2 to 3 weeks prior to Pricing
Attend Due Diligence Call	DFA, OCC, DAS	2 weeks prior to Pricing

Obtain signatures and authorize release of Preliminary OS	DFA, OCC	1 to 2 weeks prior to Pricing
Take Investor Calls and meetings	DFA	0 to 2 weeks prior to Pricing
Prepare justification and obtain approval for Out-of-State Travel	DFA	
Attend Pricing in New York	DFA	3 to 4 weeks prior to Closing
Obtain signatures and authorize releases of Pricing documents	DFA, OCC	At Pricing
Obtain and transmit Authorized Representative signatures to Bond Counsel	OCC	1 week prior to Closing
Attend Closing call	DFA, OCC	At Closing
Review and approve expenses	DFA, OCC	Within 2 months of Closing

Post-Issuance

Activity Type	Activity	Responsible Division(s)	Frequency
Notice, Audits, & Reports			
	Provide the Trustee and IBank a GAAP-compliant, audited Annual Disclosure Report.	DFA DAS	Annually – February 1
	Provide bond issuance documents to the Trustee: (1) an authorizing resolution adopted by the Board approving issuance, sale, and delivery of the Series and the execution and delivery by the Board of any Parity Reimbursement Obligation; (2) an original or certified copy of the Tax Certificate, Series Indenture, any Credit Facility, and any Parity Reimbursement Obligation; and (3) other required documents	DFA	As necessary - Issuance of an additional Bond Series
	With any release (or substitution) of pledged project obligations (PPOs), provide to Trustee, IBank, and each relevant Rating Agency a Board Officer Certificate which: (1) provides a revised Schedule I to the MPPA and (2) demonstrates forecasted satisfaction of that the Coverage Test.	DAS DFA	As necessary – on release of PPOs
	With any addition of PPOs, provide to Trustee, IBank, and each relevant Rating Agency a Board Officer Certificate which: (1) provides a revised Schedule I to the MPPA and (2) demonstrates forecasted satisfaction of that the Coverage Test.	DAS DFA	As necessary – on addition of PPOs
	On becoming aware of PPO default or delinquency, promptly notify the IBank and the Trustee	DAS DFA	As necessary – PPO default or delinquency
	Notify the Trustee so that the Trustee may establish and maintain a Rebate Fund when the Board determines that a rebate fund is necessary in accordance with a Tax Certificate.	DAS	As necessary - Rebate

	Provide notice of Notice Event within 10 days to the Trustee, the MSRB, and IBank.	DFA	As necessary - Occurrence of a Notice Event
	Provide the Trustee with notice of failure to provide the Trustee annual financials by Feb.1 in a timely manner.	DFA	As necessary – late financials
	Provide the Trustee and the Municipal Securities Rulemaking Board the late audited financials when becomes available.	DFA	As necessary – late financials
Funds Transfers & Accounts			
	Make bond payments.	DAS	Quarterly - March 15, June 15, September 15, and December 15 of each year
	Make rebate payments, if any, for each outstanding bond issue based on the calculations and reports provided by arbitrage/rebate consultant.	DAS	5 years post-issuance and every 5 years thereafter through final maturity or redemption
	Transfer amounts in the Prepayment Fund to the Restricted Assets Fund.	DFA DAS	Annually – at least once a year
	Immediately deposit and maintain principal and interest payments on PPOs in the Restricted Access Fund, subject to appropriate procedures of the State Controller.	DAS DFA	As necessary – receipt of p&i payments
	Immediately deposit prepayments into the Restricted Assets Fund.	DAS	As necessary - Prepayments in Prepayment Fund
	Immediately deposit any Prepayment on a PPO into the Prepayment Fund.	DAS	As necessary - receipt of a PPO prepayment
	Immediately transfer investment earnings into the Restricted Assets Fund to the Debt Service Fund.	DAS	As necessary – investment earnings in the Restricted Assets Fund
	Deposit Series proceeds into the Related Bond Proceeds Account.	DAS	As necessary – shortly after bond issuance
	Deposit Costs of Issuance into the Related Bond Proceeds Account.	DAS	As necessary – shortly after bond issuance
	Deposit investment earnings on amounts in the Bond Proceeds Account into the Debt Service Fund.	DAS	As necessary - Receipt of investment earnings on amounts in the Bond Proceeds Account
	Deposit investment earnings on amounts in the Prepayment Fund into the Debt Service Fund.	DAS	As necessary – Receipt of investment earnings on amounts in the Prepayment Fund.

	Keep at all times proper books of records and accounts, prepared in accordance with generally accepted accounting principles, in which complete and accurate entries shall be made of all transactions of or in relation to the business, properties and operations of the funding of Project Obligations acquired in whole or in part with the proceeds of the Bonds and Pledged Project Obligations.	DAS	Ongoing and regularly
	Establish, maintain, and hold in trust: (1) Costs of Issuance Fund; (2) Bond Proceeds Fund; (3) Restricted Assets Fund; (4) Debt Service Fund; (5) Debt Service Reserve Fund; and (6) Prepayment Fund.	DAS	Ongoing and regularly
	Apply amounts deposited into the Restricted Assets Fund to pay or reimburse the Board and the IBank for any Bond Expenses reasonably incurred in connection with an event of Default and thereafter shall be transferred to the funds and DAS accounts established hereunder to pay amounts due from the State Water Board in accordance with Section 6.09 of the MTI.	DAS	Ongoing and regularly
	Apply amounts deposited in a Bonds Proceeds Account to: (i) fund Bond Funded Project Obligations; (ii) to refund bonds and other obligations; (iii) to pay Debt Service on a series; (iv) to pay Bond Expenses; (v) to satisfy the Related Rebate Requirement (as provided in the Related Tax Certificate); and (vi) such other purpose as provided for a Series of Bonds, each as may be provided in the Related Series Indenture.	DAS	Ongoing and regularly
Borrower Surveillance & Enforcement			
	Monitor compliance with requirements and covenants related to ownership and use of the projects financed or refinanced with bond proceeds.	DFA OCC	Annually - at least once per year
	Monitor borrowers' management, operating, or service contracts to ensure compliance with the 10% allowable Private Use limit or IRS safe harbor for any financed projects financed or refinanced with bond proceeds.	DFA OCC	Annually - at least once per year
	Monitor compliance with the useful life limitation, which provides that the weighted average maturity of the Bond issue cannot exceed 120% of the weighted average economic life of the assets financed or refinanced with bond proceeds.	DFA OCC	Annually - at least once per year

	Monitor compliance with investment/yield restrictions relating to Bond Proceeds.	DFA OCC	Annually - at least once per year
	Monitor each Recipient's performance under the Pledged Project Obligations and to exercise all rights and remedies under any statute, rule, or agreement to ensure the timely performance by the Recipient and the timely payment of all amounts due under the Pledged Project Obligations.	DFA	Ongoing and regularly
	Diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants, and conditions of all Pledged Project Obligations.	DFA	Ongoing and regularly
Internal Controls			
	Cause the calculation of the rebate liability for the maturing or redeemed bond issue and make a final rebate payment.	DAS	Within 60 days of the final maturity or redemption date of a Bond issue
	Confirm that IRS Form 8038-G is timely filed, including required schedules and attachments.	DFA	At bond issuance
	Ensure that sufficient loans have been originated and funded such that the one year/30% test and the three year/95% test have been met.	DFA	At bond issuance
	If required one year/30% test and three year/95% test expenditure thresholds are not met, redeem the appropriate amount of outstanding Bonds within 90 days after the applicable period.	DFA	As necessary – If expenditure tests not met
	Contact and consult with Bond Counsel, if possible, prior to lease, sale or other disposition of bond-financed or refinanced assets.	DFA OCC	As necessary – if recipients lease project or change project ownership
	Upon identification of non-compliance with federal tax requirements, take all necessary and advisable steps to timely correct non-compliance or take a remedial action with respect to the Bonds, in consultation with Bond Counsel.	DFA OCC	As necessary – non-compliance with federal tax requirements
	Consult with Bond Counsel if changes to Bond issue are contemplated.	DFA OCC	As necessary – contemplated changes to Bond issue
	Not amend a Pledged Project Obligation in a manner which would materially adversely affect the payment of Obligations thereunder.	DFA OCC	Ongoing and regularly
	Coordinate with the IBank regarding post-bond issuance services to be provided as specified in Schedule II of the MPPA.	DFA	Ongoing and regularly
	Ensure the timely expenditure of bond proceeds.	DAS DFA	Ongoing and regularly

	Monitor appropriate capital project accounts (and, to the extent applicable, working capital expenditures and/or refunding escrow accounts) to ensure that bond proceeds are spent within the time periods required under federal law.	DAS DFA	Ongoing and regularly
	Retain an arbitrage/rebate consultant to ensure that applicable arbitrage/rebate requirements are met.	DFA	Ongoing and regularly
	Analyze compliance with tax rules on arbitrage, invested sinking funds, and pledged funds (including gifts or donations linked to the Bond-financed assets).	DAS OCC	Ongoing and regularly
	Calculate rebate liability for each outstanding Bond issue, and make any required rebate payments.	DAS OCC	Ongoing and regularly
	Provide the arbitrage rebate consultant with requested documents and information on a prompt basis, review applicable rebate reports and other calculations, and generally interact with the consultant to ensure the timely preparation of rebate reports and payments of any rebate.	DAS	Ongoing and regularly
	Consult with the arbitrage rebate consultant to determine whether any spending exception may be met with respect to bond proceeds.	DAS OCC	Ongoing and regularly
	Review the Tax Certificate and/or consult with the arbitrage rebate consultant or Bond Counsel for more details regarding the rebate spending exceptions.	DAS OCC	Ongoing and regularly
	Follow all procedures in the Tax Certificate related to compliance with rebate requirements for Bond issues.	DAS	Ongoing and regularly
	Retain copies of certain documents and records necessary to support compliance with tax requirements relating to the Bond issue for the term of the Bond issue plus three years (or longer if so required by the tax certificate related to the Bonds issue).	DAS DFA	Ongoing and regularly