

## **REQUEST FOR QUALIFICATIONS FOR BOND COUNSEL**

### **I. OVERVIEW**

The State Treasurer's Office (STO) requests statements of qualifications (SOQ) from law firms interested in providing bond counsel and related legal services. Selected firms will be admitted to the STO's Bond Counsel pool and may be appointed to serve as bond counsel, co-bond counsel, disclosure counsel, or co-disclosure counsel for bonds, notes, and other debt obligations issued by the State of California (State), State Public Works Board, other State agencies, and be eligible to serve as bond counsel and/or disclosure counsel for borrowers seeking conduit financing from State conduit financing authorities. Specific appointments may be made directly, or upon submission of responses to a supplemental request for qualifications (RFQ).

### **BONDS AND NOTES ISSUED BY THE STATE OF CALIFORNIA AND OTHER STATE AGENCIES**

#### General Obligation (GO) Bonds

California voter approved bond acts and the resolutions produced by the finance committees created under the bond acts authorize the issuance of GO bonds. GO bonds, including commercial paper notes, may be issued to finance or refinance various projects under the respective bond acts.

#### Revenue Anticipation Notes (RANs)

In accordance with Title 2, Division 4, Part 5 (commencing with Section 17300) of the Government Code, whenever the State Controller determines that monies in the General Fund are, or are expected to be, insufficient for the payment of all appropriations by the Legislature, which are required to be paid in the then current fiscal year out of the General Fund, he or she may draw a demand or demands against appropriations made from the General Fund to be paid in the then current fiscal year prior to the receipt of the income, and deliver the demand or demands to the State Treasurer. The State Treasurer shall register the demands for nonpayment and may issue RANs by resolution pursuant to Government Code Section 17302. This resolution must be adopted by the State Treasurer and approved by the State Controller and the Director of Finance. Authorized RANs are then sold by the State Treasurer from time to time on a negotiated or competitive basis, as the State Treasurer may deem advisable.

The State issues RANs only to raise funds in an amount sufficient to satisfy the State Controller's registered demand or demands. Any unapplied monies in the General Fund are available for the payment of all notes, and the interest thereon, until the notes and the interest are fully paid and discharged.

### State Public Works Board (SPWB) Bonds

The State builds and acquires certain capital facilities through the use of lease-purchase borrowing. The SPWB issues bonds to pay for the construction of various facilities including higher education, correctional facilities, court facilities, and office buildings. The State Legislature must authorize all projects through a budget act appropriation or separate legislation. These facilities are leased to a State agency, the California State University, or a community college district under a long-term lease, which provides the source of payment of the debt service on the bonds. The Board consists of the Director of the Department of Finance, the Director of the Department of Transportation, and the Director of the Department of General Services. For matters relating to the issuance of lease revenue bonds, the State Treasurer and the State Controller are members of the SPWB.

### Special Bond Issues

Occasionally, the State will issue debt by securitizing streams of revenues via a special bond issue, which are payable from anticipated reimbursements or payments such as the Tobacco Settlement Asset-Backed Bonds or the Federal Highway Grant Anticipation Bonds (GARVEE).

## **STATE CONDUIT FINANCING AUTHORITIES CHAIRED BY THE STATE TREASURER WHICH REQUIRE BORROWERS TO SELECT BOND COUNSEL FROM THE POOL**

### California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)

<http://www.treasurer.ca.gov/caeatfa/index.asp>

CAEATFA was established in 1980 (Public Resources Code Section 26000 et seq.). CAEATFA board membership includes: the State Treasurer, who serves as chair; the State Controller; the Director of the Department of Finance; the Chair of the California Energy Commission; and the President of the California Public Utilities Commission. The Legislature created CAEATFA to assist California businesses in financing facilities using new energy sources and technologies. Public agencies and private enterprises operating within the State and involved in the purchase or sale of alternative energy sources and advanced transportation projects are eligible for financing.

### California Educational Facilities Authority (CEFA)

<http://www.treasurer.ca.gov/cefa/index.asp>

The California Educational Facilities Authority Act, creating CEFA, was enacted in 1972 (Education Code, Section 94100 et seq.). CEFA board membership includes: the State Treasurer, who serves as chair; the State Controller; the Director of the Department of Finance; and two members appointed by the Governor. The Legislature created CEFA to issue revenue bonds assisting private nonprofit institutions of higher learning in the expansion and construction of educational facilities.

California Health Facilities Financing Authority (CHFFA)

<http://www.treasurer.ca.gov/chffa/index.asp>

CHFFA was established in 1979 (Government Code Section 15430 et seq.). CHFFA board members include: the State Treasurer, who serves as chair; the State Controller; the Director of the Department of Finance; two members appointed by the Senate Rules Committee; two members appointed by the Speaker of the Assembly; and two members appointed by the Governor. The Legislature created CHFFA to issue revenue bonds assisting qualifying health facilities to acquire facilities, refinance debt, construct or remodel facilities, purchase equipment, obtain reimbursement of qualified expenditures, and with certain restrictions, finance short-term working capital needs.

California Pollution Control Financing Authority (CPCFA)

<http://www.treasurer.ca.gov/cpcfa/index.asp>

CPCFA was established by the Legislature in 1972 (Health and Safety Code Section 44508 et seq.). CPCFA board membership includes: the State Treasurer, who serves as chair; the State Controller; and the Director of the Department of Finance. The Legislature created CPCFA to issue tax-exempt or taxable conduit bonds, notes, and other obligations to assist California businesses, which help abate, eliminate, prevent, control, or reduce any form of pollution of the earth, air, or water.

California School Finance Authority (CSFA)

<http://www.treasurer.ca.gov/csfa/index.asp>

CSFA was established in 1985 (Education Code Section 17170 et seq.). CSFA board membership includes: the State Treasurer, who serves as chair; the Superintendent of Public Instruction; and the Director of the Department of Finance. The Legislature created CSFA to issue bonds and other debt to provide loans to charter schools, school districts, and community college districts.

California Transportation Financing Authority (CTFA)

<http://www.treasurer.ca.gov/ctfa/index.asp>

CTFA was established in 2009 (Government Code Section 64100 et seq.). CTFA board membership includes: the State Treasurer, who serves as Chair; the State Controller; the Director of the Department of Finance; the Director of the California Department of Transportation; the Director of the California Transportation Commission; a Senate Rules Committee Appointee; and an Assembly Speaker Appointee. The Legislature created CTFA to issue or approve the issuance of revenue bonds to finance transportation projects. To date, CTFA has not issued any debt.

**STATE AGENCY REVENUE BOND ISSUERS AND CONDUIT FINANCING AUTHORITIES NOT CHAIRED BY THE TREASURER THAT TYPICALLY REQUIRE BOND COUNSEL TO BE IN THE POOL**

California Department of Veterans Affairs  
California Department of Water Resources  
California Earthquake Authority  
California Housing Finance Agency  
California Infrastructure and Economic Development Bank  
California State University  
The Regents of the University of California

**II. SCOPE OF SERVICES**

**A. BOND/CO-BOND COUNSEL**

The scope of services for bond counsel and co-bond counsel may include, but not be limited to, the following:

1. Rendering the bond counsel opinion regarding the validity and binding effect of the bonds, the source of payment and security for the bonds, and the excludability of interest on the bonds from gross income for federal income tax purposes and/or State income tax purposes;
2. Examining applicable laws, preparing authorizing documents, consulting with parties to the transactions, reviewing proceedings, and performing additional duties as necessary to render the opinion(s);
3. Providing continuing advice regarding any actions necessary to ensure that interest on the bonds will continue to be tax-exempt;
4. Preparing and reviewing of documents necessary or appropriate to the authorization, issuance, sale and delivery of the bonds, coordinating the authorization and execution of these documents, and reviewing, and where appropriate, drafting enabling legislation;
5. Assisting the Issuer in seeking from other governmental authorities any approvals, permissions, and exemptions necessary or appropriate in connection with the authorization, issuance, sale, and delivery of the bonds;
6. Reviewing legal issues relating to the structure of the bond issue;
7. Reviewing or preparing those sections of the offering document to be disseminated in connection with the sale of the bonds that relate to the bonds, financing documents, bond counsel opinion, and tax exemption;

8. Participating, when requested, in activities associated with presenting information to rating agencies and/or credit enhancement provider relating to legal issues affecting the issuance of the bonds;
9. Reviewing or preparing the notice of sale or bond purchase contract for the bonds;
10. Offering continuing legal advice, as needed, on issues related to the sale and the administration of State obligations;
11. In cases where a separate disclosure counsel is not retained by the Issuer, performing the duties described under DISCLOSURE/CO-DISCLOSURE COUNSEL;
12. Providing other legal opinions as required;
13. Participating in meetings, as requested, relating to the issuance of bonds or notes;
14. Preparing the official transcript for the bond issue;
15. Keeping the STO and Issuer informed of rulings issued by federal and State regulatory agencies including, but not limited to, the U.S. Securities Exchange Commission, Internal Revenue Service and Municipal Securities Rulemaking Board, which impact the issuance of the bonds and/or administration of the bond program; and
16. Any additional duties required for specific bond programs.

**B. DISCLOSURE/CO-DISCLOSURE COUNSEL**

The scope of duties may include, but is not limited to, the following:

1. Preparing the preliminary and final official statements;
2. Preparing disclosure on the State of California, known as Appendix A, to the preliminary and final official statements for use in all offering documents for bonds supported by the State's General Fund;
3. Providing a "10b-5" negative assurance opinion with respect to the official statements;
4. Reviewing or preparing the continuing disclosure undertaking of the issuer;
5. Reviewing, as necessary, applicable laws and pertinent documents;
6. Providing disclosure training to the Issuer, borrower and other parties; and
7. Participating, as requested, in informational meetings and discussions with various parties, including investors.

### **III. MINIMUM QUALIFICATIONS**

- A. **PUBLIC FINANCE EXPERIENCE** – The firm, or its attorneys designated to work on State or State conduit financing authority transactions, must have a minimum of three years of experience serving as bond counsel and disclosure counsel on publicly offered tax-exempt bond transactions.
- B. **LICENSED IN THE STATE OF CALIFORNIA** – The firm must have a business presence comprised of one or more offices in the State of California with attorneys licensed to practice law in the State who will be primarily responsible for providing or supervising the services to be rendered under the engagement.
- C. **LEGAL DISCLOSURE** – The firm has not disclosed any matters in section IV.E.3. Legal Disclosure, that would preclude participation in the pool as determined by the STO.
- D. **BOND CAMPAIGN CONTRIBUTION AND SERVICES PROHIBITION CERTIFICATION** – Bond Counsel firms applying to the Bond Counsel Pool must provide an Initial Certification, certifying that the firm has in place a policy or procedure requiring that the firm or any licensed legal professional associated with the firm who engages in legal services primarily for municipal securities business, will not accept any legal services work with a municipal entity in California within two years of any contribution made or provided after the date of certification by the firm or any licensed legal professional associated with the firm, to a bond ballot campaign for bonds of the municipal entity.

In addition, the STO requires bond counsel firms to certify quarterly that the firm has in place a policy or procedure requiring that the firm or any licensed legal professional associated with the firm who engages in legal services primarily for municipal securities business, will not accept any legal services work with a municipal entity in California within two years of any contribution made or provided after the date of certification by the firm or any licensed legal professional associated with the firm, to a bond ballot campaign for bonds of the municipal entity. If a firm fails to submit the mandatory quarterly Bond Campaign Contribution and Services Prohibition Certification within one week of the deadline (April 30, July 31, October 31, and January 31), the firm may be suspended from the bond counsel pool, be ineligible for appointments, and be required to request reinstatement.

Please see Attachments E and F for defined terms associated with this minimum qualification.

- E. **QUARTERLY DISCLOSURE REPORT** – Firms selected as members of the bond counsel pool are required to update the STO quarterly regarding any changes to the firm’s ability to meet the minimum qualifications and the disclosure information submitted in the firm’s SOQ in response to this RFQ. If a firm fails to submit the mandatory quarterly report within one week of the deadline (April 30, July 31, October 31, and January 31), the firm may be suspended from the bond counsel pool, be ineligible for appointments, and be required to request reinstatement.
- F. **MALPRACTICE INSURANCE** – The firm must maintain adequate malpractice insurance coverage with either a securities transaction rider or coverage without exclusion for securities transactions.
- G. **CALIFORNIA TAXPAYER AND SHAREHOLDER PROTECTION ACT OF 2003–U.S. EXPATRIATE CORPORATIONS (PUBLIC CONTRACT CODE SECTIONS 10286 AND 10286.1)** – The STO will not contract or otherwise do business – absent a compelling public interest – with publicly held U.S. expatriate corporations. This policy is designed to ensure that companies with which the STO does business meet threshold standards of corporate accountability. If appointed to a State bond issue, the firm will be required to re-certify by signing the engagement letter.
- H. **DARFUR CONTRACTING ACT OF 2008** – The firm must comply with the Darfur Contracting Act of 2008. The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally, from contracting with “scrutinized” companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code section 10475. A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476.

Scrutinized companies are ineligible to, and cannot bid on, or submit a proposal for a contract with a State agency for goods or services. [Public Contract Code section 10477(a)]. Therefore, Public Contract Code section 10478 (a) requires a company that currently has, or within the previous three years has had, business activities or other operations outside of the United States to certify that it is not a “scrutinized” company when it submits a bid or proposal to a State agency. A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from the Department of General Services (DGS), according to the criteria set forth in Public Contract Code section 10477(b).

- I. **IRAN CONTRACTING ACT OF 2010** – Once appointed to a transaction, the firm must comply with the Iran Contracting Act of 2010. The Act requires that, at the time a firm is selected for any appointment for which the firm may earn at least \$1 million in compensation, the firm will be required to certify that it is not on the then current list of persons engaged in investment activities in Iran created by the California Department of General Services pursuant to Public Contract Code section 2203(b) or, in the alternative, should otherwise be eligible to perform legal services for the State pursuant to Public Contract Code section 2203(c). Please note that if a firm claims the section 2203(c) exemption, additional findings by the STO are required and will be made solely at the discretion of the STO.

With respect to any applicable bond transaction for one of the State's conduit financing authorities, the required certification shall be made at the time an application for financing is made to the authority.

#### **IV. CONTENT OF STATEMENT OF QUALIFICATIONS**

Responses should be limited to 15 pages (excluding attachments and appendices) using a typeface font of no less than 12 pitch. Failure to provide all requested information or deviation from the required format may result in disqualification. Address the following items in responding to this RFQ:

##### **A. COVER LETTER**

Provide a cover letter on the firm's letterhead, signed by an authorized representative, highlighting the key points of the firm's statement of qualifications. The cover letter should include the name, title, address, and telephone number of the contact person for the SOQ.

##### **B. FIRM ATTRIBUTES AND COMMITMENT TO CALIFORNIA**

1. Provide a brief history, description, and ownership structure of the firm. Briefly describe all practice areas besides public finance in which the firm is active.
2. How many full-time employees does the firm currently employ nationwide and in California? Provide a table showing the total number and breakdown of professionals dedicated exclusively to public finance working in both California and outside of California. What was the percentage of worldwide compensation (including distributions to partners) paid to California residents in the past year?
3. How many offices does your firm have in California? Has the firm opened or closed offices in California or otherwise changed its commitment to California within the last five years?
4. Where is your firm's headquarters located?

##### **C. PUBLIC FINANCE EXPERIENCE AND CAPABILITIES**

1. Briefly describe the firm's practice in public finance and its importance to the firm.
2. Describe the firm's experience serving as counsel for taxable and tax-exempt obligations issued by the State, State agencies, State conduit financing authorities, and local California issuers since January 1, 2012. List in **Attachment A** the name of the issuer, the name of the issue, the sale date, the size of the issue, type of issue, method of sale, and the firm's role in the transaction (e.g., lead bond counsel, co-bond counsel, disclosure counsel, co-disclosure counsel, special counsel, or underwriter's counsel).

3. Describe the firm's experience serving as counsel for taxable and tax-exempt obligations issued by issuers outside of California since January 1, 2012. List in **Attachment B** the name of the issuer, the name of the issue, the sale date, the size of the issue, type of issue, method of sale, and the firm's role in the transaction (e.g., lead bond counsel, co-bond counsel, disclosure counsel, co-disclosure counsel, special counsel, or underwriter's counsel).
4. Identify the public finance practice areas in which the firm has particular expertise, the number of attorneys employed in those areas, and whether those professionals are located within California.
5. Describe the firm's expertise with federal tax laws and regulations relating to tax-exempt financing generally. Provide the number of attorneys that are experts in Internal Revenue Code Section 103 matters, and whether those professionals are located within California. If the firm does not have in-house tax expertise, but would like to propose a potential joint venture with an outside tax attorney, please describe that joint venture relationship and identify the attorney.
6. Describe the experience of the firm in obtaining rulings from the Internal Revenue Service.
7. Describe the firm's knowledge and expertise related to the debt provisions under the California Constitution.
8. Describe the firm's procedures for keeping abreast of changes in federal and California tax, securities, and municipal bond issues, including statutory and regulatory changes and judicial or administrative actions.
9. Has the firm's public finance practice group experience any significant staffing changes over the past five years? If so, please briefly describe.

**D. PERSONNEL**

Please complete **Attachment C** regarding the personnel available to work on financings for the State, State agencies, and State conduit financing authorities. In addition, please complete **Attachment D** listing contact information for the relevant personnel. The State reserves the right to approve or disapprove any assignment or substitution of personnel on any transaction.

## **E. COMPLIANCE WITH MINIMUM QUALIFICATIONS**

1. **Public Finance Experience** – Describe how the firm meets the requirement described in section III.A. PUBLIC FINANCE EXPERIENCE.
2. **Licensed in the State of California** – Describe how the firm meets the requirements contained in section III.B. LICENSED IN THE STATE OF CALIFORNIA. Licensure information should be included in **Attachment C**.
3. **Legal Disclosure** – Provide the following information:
  - a. Any criminal indictments or convictions brought against the firm or its attorneys or civil judgments against the same within the past ten years where the charges involved an offering of municipal securities. Please describe in detail each such indictment, conviction, or judgment.
  - b. Any material pending legal action, settlement, or judgment involving a claim of fraud, whether civil or criminal, against any partner of the firm or any attorney employed by the firm. Please describe in detail each pending action, including the nature of the action and the potential liability of the firm or its attorneys.
  - c. Any pending legal action, including disciplinary actions, alleging malpractice or violations of law in connection with an offering of municipal securities against the firm or its attorneys. Please describe in detail each pending action and the potential liability of the firm or its attorneys. Also, provide information regarding any settlements or judgments involving malpractice or violations of law entered into by the firm or its attorneys within the past five years.
4. **Bond Campaign Contribution and Services Prohibition Certification** – Complete **Attachment E**.
5. **Legal Disclosure Certification** – Complete **Attachment G**, certifying that the firm will provide quarterly updates to the disclosure information provided in the firm’s SOQ.
6. **Malpractice Insurance** – Please provide, as an appendix, evidence of malpractice insurance coverage for the firm and its attorneys including coverage amounts. The evidence of coverage should indicate whether securities transactions are covered.
7. **California Taxpayer and Shareholder Protection Act of 2003–U.S. Expatriate Corporations (Public Contract Code Sections 10286 and 10286.1)** – Please complete **Attachment H**.

8. **Darfur Contracting Act of 2008** – Please complete **Attachment I**.
9. **Iran Contracting Act of 2010** – Firms will be required to complete a certification similar to **Attachment J** for each applicable transaction shortly after the firm is appointed for that particular sale. Please note that Attachment J is for your information only and does not need to be completed at this time.

**F. CONFLICT OF INTEREST**

Firms will be required to provide information regarding any existing or potential conflict of interest to STO or to the Issuer when retained to serve as bond counsel or disclosure counsel. STO or the applicable Issuer reserves the right to make the final determination whether the existing or potential conflict should disqualify the firm from participating in the particular transaction.

Does the firm have a conflicts of interest policy? If so, please provide a copy along with your SOQ. Please describe how your firm deals with professional ethics in connection with the representation of public finance clients.

**G. DISABLED VETERAN BUSINESS ENTERPRISES**

State law establishes participation goals of three percent for Disabled Veteran Business Enterprises (DVBEs) in contracts for professional bond services awarded by State agencies. These goals apply to the annual dollar amount expended on professional bond services. In the case of law firms serving as bond counsel, co-bond counsel, disclosure counsel, or co-disclosure counsel, this applies to all professional fees related to the issuance of bonds or other debt obligations. DVBE certification is obtained through the California Department of General Services.

<http://www.dgs.ca.gov/pd/Programs/OSDS/DVBEEligibilityBenefits.aspx>.

Firms requesting DVBE status must submit their DVBE Certificate as an appendix with the SOQ, and resubmit annually as the DVBE Certificate is renewed.

**H. MINORITY/WOMEN BUSINESS ENTERPRISES**

Although State law no longer establishes participation goals for Minority Business Enterprises (MBEs) or Women Business Enterprises (WBEs), it does require the STO to report annually to the Governor and the Legislature on the level of participation by MBEs and WBEs in contracts for professional bond services awarded (Government Code Section 16855). The STO requests businesses disclose this information, on a voluntary basis, by completing **Attachment K**. This information will be used for reporting purposes only and will not be used for the purpose of bond counsel appointments.

## **I. PRO BONO SERVICES**

Describe any pro bono legal services policies or practices in place at the firm.

## **V. DELIVERY**

The STO will return any incomplete SOQs. For your reference, an SOQ checklist is located on page 17. The STO will accept SOQs by e-mail only. Please include your firm's name in the subject field:

### **E-mail Deliveries**

To: [investorrelations@treasurer.ca.gov](mailto:investorrelations@treasurer.ca.gov)

Subject: FIRM NAME-Bond Counsel Pool Statement of Qualifications

Electronic deliveries must be in Adobe Acrobat PDF format.

Signature pages not included in the e-mailed submission may be faxed to the attention of Christina Sarron at 916-657-4827. No other fax transmittals will be accepted.

If you have any questions, please contact Christina Sarron at [csarron@treasurer.ca.gov](mailto:csarron@treasurer.ca.gov) or (916) 653-2668.

## **VI. FEES**

Fees will be established either (a) on a transaction-by-transaction basis or (b) a fixed fee schedule. In general, bond counsel fees for the State conduit financing authorities are negotiated between bond counsel and the borrower, however, as agent for sale, the STO reserves the right to review and approve these fees.

## **VII. CALIFORNIA PUBLIC RECORDS ACT**

All material submitted in response to this solicitation will become the property of the State of California and will not be returned. In addition, all material submitted may be considered a public record by the STO and subject to disclosure pursuant to the California Public Records Act (Government Code Section 6250 et seq.). Should the STO receive a request for any SOQs submitted in response to this RFQ, the firm submitting the requested SOQ will be contacted prior to disclosure of the SOQ to determine what portions, if any, of the SOQ may be considered confidential. The STO reserves the right, consistent with the California Public Records Act, to make the final determination whether an SOQ, or any portion of it, is confidential and not subject to disclosure.

## **VIII. STATEMENT EVALUATIONS**

Statements of Qualifications will be evaluated based on the following criteria (not listed in order of importance):

- A. Qualifications and experience of firm and attorneys named in the statement;
- B. Capability to provide required services; and
- C. Past experience on State, State agency, and State conduit financing authority debt financings, as well as other public debt financings.

The STO reserves the right to:

- A. Request additional information from any firm prior to its selection;
- B. Select firms that will best meet the STO's needs; and
- C. Consider information about any firm from other sources in addition to the information submitted by the firm.

The STO may from time to time seek ideas, advice, and proposals from pool members. Neither inclusion in the pool nor providing ideas, advice, and proposals offers any assurance that any firm will be selected to provide bond counsel services.

## **IX. REMOVAL FROM AND ADDITIONS TO THE POOL**

Any firm may be removed or suspended from the bond counsel pool for reasons that include, but are not limited to, the following:

- A. Disqualification because of legal proceedings outlined in Questions a-c of Section IV.E.3. Legal Disclosure, including actions, settlements or judgments, disciplinary actions by state or federal regulatory agencies, criminal indictments or convictions, and claims of fraud, whether criminal or civil;
- B. Unacceptable performance in any bond sale as determined by an evaluation completed by the Public Finance Division or a State conduit financing authority;
- C. Being the subject of disciplinary action by state or federal regulatory agencies;
- D. Filing for protection under federal or state bankruptcy laws;
- E. Failure to continue to meet the minimum qualifications listed under Section III. MINIMUM QUALIFICATIONS; and
- F. Failure to submit continuing disclosure reports.

From time to time, the STO may make additions to the bond counsel pool. Pool applicants will be required to submit a response to the RFQ and will be evaluated based on the same criteria used to establish the pool.

## **X. ONGOING COMPLIANCE WITH MINIMUM QUALIFICATIONS**

To remain in the bond counsel pool, a firm must meet Section III. MINIMUM QUALIFICATIONS, at all times. Pool members are responsible for notifying the STO in writing if they no longer meet the minimum qualifications. Firms should promptly contact the Director of the Public Finance Division.

**STATEMENT OF QUALIFICATIONS CHECKLIST**  
**State of California**  
**Office of the State Treasurer**

The STO requires the following information when submitting a complete statement of qualifications, **incomplete statements of qualifications will be returned:**

<input type="checkbox"/>	Section IV.A. Cover Letter
<input type="checkbox"/>	Section IV.B. Firm Attributes and Commitment to California Questions 1-4
<input type="checkbox"/>	Section IV.C. Public Finance Experience and Capabilities Questions 1-9
<input type="checkbox"/>	Section IV.E.1. Public Finance Experience
<input type="checkbox"/>	Section IV.E.2. Licensed in the State of California
<input type="checkbox"/>	Section IV.E.3. Legal Disclosure Questions a. - c.
<input type="checkbox"/>	Section IV.F. Conflict of Interest: response to question
<input type="checkbox"/>	Section IV.I. Pro Bono Services: response to question
	<b><u>Attachments</u></b>
<input type="checkbox"/>	Attachment A: PUBLIC FINANCE EXPERIENCE-CALIFORNIA ISSUERS
<input type="checkbox"/>	Attachment B: PUBLIC FINANCE EXPERIENCE-ISSUERS OUTSIDE OF CALIFORNIA
<input type="checkbox"/>	Attachment C: PERSONNEL EXPERIENCE
<input type="checkbox"/>	Attachment D: FIRM CONTACTS
<input type="checkbox"/>	Attachment E: Bond Campaign Contribution and Services Prohibition – Initial Certification
N/A	Attachment F: <b>DO NOT COMPLETE INFORMATIONAL ONLY</b>
<input type="checkbox"/>	Attachment G: LEGAL DISCLOSURE CERTIFICATION
<input type="checkbox"/>	Attachment H: EXPATRIATE CORPORATION CERTIFICATION
<input type="checkbox"/>	Attachment I: DARFUR CONTRACTING ACT
N/A	Attachment J: <b>DO NOT COMPLETE INFORMATIONAL ONLY</b>
<input type="checkbox"/>	Attachment K: MINORITY BUSINESS ENTERPRISE AND WOMEN’S BUSINESS ENTERPRISE CERTIFICATION (OPTIONAL)
	<b><u>Appendices</u></b>
<input type="checkbox"/>	Section IV.E.5. Malpractice Insurance: Please provide evidence of the firm’s malpractice insurance coverage for the firm and its attorneys including coverage amounts AND indicating that securities transactions are covered.
<input type="checkbox"/>	Section IV.F. Conflict of Interest Policy
<input type="checkbox"/>	Section IV.G. Disabled Veteran Business Enterprise: If applicable, please provide certification from the Department of General Services

**PUBLIC FINANCE EXPERIENCE – CALIFORNIA ISSUERS**

State of California  
Office of the State Treasurer

As described in Section IV.C.2., please provide the firm’s experience serving as counsel for taxable and tax-exempt obligations issued by the State, State agencies, State conduit financing authorities, and local California issuers since January 1, 2012. List the name of the issuer, the name of the issue, the sale date, the size of the issue, type of issue, method of sale, and the firm’s role in the transaction (e.g., lead bond counsel, co-bond counsel, disclosure counsel, co-disclosure counsel, special counsel, or underwriter’s counsel).

Please provide the information in this format:

<b>Issuer</b>	<b>Issue Description</b>	<b>Sale Date</b>	<b>Par Amount</b>	<b>Type of Issue</b>	<b>Method of Sale</b>	<b>Firm’s Role</b>

**PUBLIC FINANCE EXPERIENCE – ISSUERS OUTSIDE OF CALIFORNIA**

State of California  
Office of the State Treasurer

As described in Section IV.C.3., please provide the firm’s experience serving as counsel for taxable and tax-exempt obligations issued by issuers outside of California since January 1, 2012. List the name of the issuer, the name of the issue, the sale date, the size of the issue, type of issue, method of sale, and the firm’s role in the transaction (e.g., lead bond counsel, co-bond counsel, disclosure counsel, co-disclosure counsel, special counsel, or underwriter’s counsel).

Please provide the information in this format:

<b>Issuer</b>	<b>Issue Description</b>	<b>Sale Date</b>	<b>Par Amount</b>	<b>Type of Issue</b>	<b>Method of Sale</b>	<b>Firm’s Role</b>

**PERSONNEL EXPERIENCE  
State of California  
Office of the State Treasurer**

Identify key personnel (include partners, associates, and tax attorneys) who will be directly involved in the financings. With the exception of tax attorneys, all personnel listed below must be active members of the California State Bar.

Name	Title	Office Location	Role	How Long In Current Position?	How Long Employed at Current Firm?	How Long in Public Finance Practice?	Member of California State Bar?
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**FIRM CONTACTS**  
**State of California**  
**Office of the State Treasurer**

Primary Contact with State Treasurer's Office

Name:  
Title:  
Address:  
City/State/Zip:  
Phone:  
Fax:  
Email Address:

Contact to receive all RFQs and other Notices

Name:  
Title:  
Address:  
City/State/Zip:  
Phone:  
Fax:  
Email Address:

Managing Partner (or comparable position)

Name:  
Title:  
Address:  
City/State/Zip:  
Phone:  
Fax:  
Email Address:

Head of Public Finance Unit (or comparable position)

Name:  
Title:  
Address:  
City/State/Zip:  
Phone:  
Fax:  
Email Address:

**BOND CAMPAIGN CONTRIBUTION AND SERVICES PROHIBITION  
BOND COUNSEL  
INITIAL CERTIFICATION  
State of California  
Office of the State Treasurer**

1. I certify that, ENTER FIRM NAME will have in place a policy or procedure requiring that ENTER FIRM NAME or any licensed legal professional associated with ENTER FIRM NAME who engages in legal services primarily for municipal securities business\* will not accept any such legal services work with a municipal entity in California within two years of any contribution\*\* made or provided after the date of this certification by ENTER FIRM NAME or any licensed legal professional associated with ENTER FIRM NAME who engages in legal services primarily for municipal securities business, to a bond ballot campaign for bonds of the municipal entity.
  
2. I understand that the firm will be required to certify each quarter that it has a policy or procedure in place AND that the policy or procedure has not been violated. Failure to maintain this policy or procedure, or a violation of such policy or procedure may result in the firm being removed from the bond counsel pool.
  
3. I certify that I am authorized to sign this certification on behalf of ENTER FIRM NAME.

ENTER DATE

Date

\_\_\_\_\_  
Signature

ENTER NAME

Printed Name

ENTER JOB TITLE

Job Title

The following terms shall be defined as provided in Rule G-37 issued by the Municipal Securities Rulemaking Board: (1) bond ballot campaign; (2) municipal securities business; (3) municipal entity. However, in addition to the G-37 definition of municipal securities business, this certification also applies to competitive sales.

\*\*“Contribution” includes contributions of cash or in-kind services or the provision of bond campaign services either directly or indirectly through or by any other person or means, but does not include a contribution made in an election in which the licensed legal professional is entitled to vote and the contributions, in total, are not in excess of \$250. Bond campaign services includes, but is not limited to, fundraising, public opinion polling, election strategy and management, organization of campaign volunteers, get out the vote services, development of campaign literature, and advocacy materials. Bond campaign services does not include either of the following: (1) advice and support related to the preparation of the bond measure, tax rate statements and other documentation required for board approval; or (2) public opinion polling, or other pre-election services including legal services, that are for purposes of gathering information regarding, and evaluating the potential for, the adoption of the bond measure by the electorate before any action by the governing body to place the measure before the electorate.

**BOND CAMPAIGN CONTRIBUTION AND SERVICES PROHIBITION  
BOND COUNSEL  
QUARTERLY CERTIFICATION**  
State of California  
Office of the State Treasurer

1. I certify that, for the three month period ending on March 31, ENTER FIRM NAME had in place a policy or procedure requiring that ENTER FIRM NAME or any licensed legal professional associated with ENTER FIRM NAME who engages in legal services primarily for municipal securities business\* will not accept any such legal services work with a municipal entity in California within two years of any contribution\*\* made or provided after the date of the Firm’s initial certification by ENTER FIRM NAME or any licensed legal professional associated with ENTER FIRM NAME who engages in legal services primarily for municipal securities business, to a bond ballot campaign for bonds of the municipal entity.
2. I certify that, to the best of my knowledge, for the three month period ending on March 31, ENTER FIRM NAME and any licensed legal professional associated with ENTER FIRM NAME who engages in legal services primarily for municipal securities business did not violate the firm’s policy or procedure described in Paragraph 1.
3. I understand that failure to have such policy or procedure in place, or a violation of such policy or procedure, for the three month period ending on March 31 may result in ENTER FIRM NAME being removed from the bond counsel pool.
4. I certify that I am authorized to sign this certification on behalf of ENTER FIRM NAME.

ENTER DATE \_\_\_\_\_  
Date

ENTER FIRM NAME \_\_\_\_\_  
Signature

ENTER FIRM NAME \_\_\_\_\_  
Printed Name

**SAMPLE**

ENTER JOB TITLE \_\_\_\_\_  
Job Title

\* The following terms shall be defined as provided in Rule G-37 issued by the Municipal Securities Rulemaking Board: (1) bond ballot campaign; (2) municipal securities business; (3) municipal entity. However, in addition to the G-37 definition of municipal securities business, this certification also applies to competitive sales.

\*\* “Contribution” includes contributions of cash or in-kind services or the provision of bond campaign services either directly or indirectly through or by any other person or means, but does not include a contribution made in an election in which the licensed legal professional is entitled to vote and the contributions, in total, are not in excess of \$250. Bond campaign services includes, but is not limited to, fundraising, public opinion polling, election strategy and management, organization of campaign volunteers, get out the vote services, development of campaign literature, and advocacy materials. Bond campaign services does not include either of the following: (1) advice and support related to the preparation of the bond measure, tax rate statements and other documentation required for board approval; or (2) public opinion polling, or other pre-election services including legal services, that are for purposes of gathering information regarding, and evaluating the potential for, the adoption of the bond measure by the electorate before any action by the governing body to place the measure before the electorate.

**LEGAL DISCLOSURE CERTIFICATION  
State of California  
Office of the State Treasurer**

**(FIRM NAME)**

I, (Person's Name), (Job Title), certify as follows:

I am authorized to execute this Certification on behalf of (FIRM NAME).

The firm is interested in providing bond counsel services to the State of California, State agencies, and State conduit financing authorities, and has submitted a Statement of Qualifications to the State Treasurer’s Office in order to be considered for placement in the bond counsel pool, which may provide such services.

In the Statement of Qualifications, the firm has responded to questions regarding legal proceedings against the firm, as specified, in connection with offerings of municipal securities in California transactions and nationwide.

The firm agrees to provide quarterly updates no later than April 30, July 31, October 31 and January 31 to the State Treasurer’s Office regarding changes to the information submitted, including information about legal proceedings originating after submission of the Statement of Qualifications by submitting an updated Quarterly Disclosure Report. I understand that if the firm fails to submit the Quarterly Disclosure Report along with the appropriate documentation within one week of the required date, the firm may be suspended from the bond counsel pool and would be required to request reinstatement.

I certify that I have reviewed the requirements for updating the State Treasurer’s Office regarding legal proceedings as outlined in the Request for Statement of Qualifications, and I agree, on behalf of the firm, to fulfill the requirements outlined therein.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Job Title)

**EXPATRIATE CORPORATION CERTIFICATION**  
**State of California**  
**Office of the State Treasurer**

As described in Public Contract Code Section 10286.1, a State agency may not enter into any contract with an expatriate corporation or its subsidiaries.

Specifically, an expatriate corporation is defined as a foreign incorporated entity that is publicly traded in the United States to which all of the following apply:

1. The United States is the principal market for the public trading of the foreign incorporated entity.
2. The foreign incorporated entity has no substantial business activities in the place of incorporation.
3. Either clause (i) or clause (ii) applies:
  - (i) The foreign entity was established in connection with a transaction or series of related transactions pursuant to which (I) the foreign entity directly or indirectly acquired substantially all of the properties held by a domestic corporation or all of the properties constituting a trade or business of a domestic partnership or related foreign partnership, and (II) immediately after the acquisition, more than 50 percent of the publicly traded stock, by vote or value, of the foreign entity is held by former shareholders of the domestic corporation or by former partners of the domestic partnership or related foreign partnership. For purposes of sub-clause (II), any stock sold in a public offering related to the transaction or a series of transactions is disregarded.
  - (ii) The foreign entity was established in connection with a transaction or series of related transactions pursuant to which (I) the foreign entity directly or indirectly acquired substantially all of the properties held by a domestic corporation or all of the properties constituting a trade or business of a domestic partnership or related foreign partnership, and (II) the acquiring foreign entity is more than 50 percent owned, by vote or value, by domestic shareholders or partners. (III) For purposes of this subparagraph, indirect acquisition of property includes the acquisition of a stock share, or any portion thereof, of the owner of that property.

**CERTIFICATION:**

**I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to make the certification, on behalf of the firm, that the firm is not an expatriate corporation or a subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.**

\_\_\_\_\_  
Firm Name

DATE: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

**DARFUR CONTRACTING ACT  
State of California  
Office of the State Treasurer**

Pursuant to Public Contract Code section 10478, if a proposer currently, or within the previous three years has had business activities, or other operations outside of the United States, it must certify that it is not a “scrutinized” company as defined in Public Contract Code section 10476.

Please check **one** of the following three paragraphs and sign below:

1.  We do not currently have, or we have not had within the previous three years, business activities, or other operations outside of the United States.

**OR**

2.  We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

**OR**

3.  We currently have, or we have had within the previous three years, business activities, or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code section 10476.

**CERTIFICATION:**

**I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer to the clause listed above. This certification is made under the laws of the State of California.**

\_\_\_\_\_  
Firm Name

DATE: \_\_\_\_\_

\_\_\_\_\_  
Signature

**IRAN CONTRACTING ACT**  
(Public Contract Code sections 2202-2208)  
 State of California  
 Office of the State Treasurer

Prior to bidding on, submitting a proposal or executing a contract or renewal for a State of California contract for goods or services of \$1,000,000 or more, a vendor must either: a) certify it is **not** on the current list of persons engaged in investment activities in Iran created by the California Department of General Services (“DGS”) pursuant to Public Contract Code section 2203(b) and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that other person will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS; or b) demonstrate it has been exempted from the certification requirement for that solicitation or contract pursuant to Public Contract Code section 2203(c) or (d).

To comply with this requirement, please insert your vendor or financial institution name and Federal ID Number (if available) and complete **one** of the options below. Please note: California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts. (Public Contract Code section 2205.)

**OPTION #1 – CERTIFICATION**

I, the official named below, certify I am duly authorized to execute this certification on behalf of the vendor/financial institution identified below, and the vendor/financial institution identified below is **not** on the current list of persons engaged in investment activities in Iran created by DGS and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person/vendor, for 45 days or more, if that other person/vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS.

<i>Vendor Name/Financial Institution (Printed)</i>		<i>Federal ID Number (or n/a)</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in</i>	

**OPTION #2 – EXEMPTION**

Pursuant to Public Contract Code sections 2203(c) and (d), a public entity may permit a vendor/financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enters into or renews, a contract for goods and services.

If you have obtained an exemption from the certification requirement under the Iran Contracting Act, please fill out the information below, and attach documentation demonstrating the exemption approval.

<i>Vendor Name/Financial Institution (Printed)</i>		<i>Federal ID Number (or n/a)</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		<i>Date Executed</i>

**Document to be completed upon each qualifying appointment.**

**MINORITY BUSINESS ENTERPRISE AND WOMEN’S BUSINESS ENTERPRISE CERTIFICATION  
State of California  
Office of the State Treasurer**

This form certifies your firm as a Minority Business Enterprise (MBE) or Women’s Business Enterprise (WBE) with the California State Treasurer’s Office and is used for informational purposes only. This certification is strictly voluntary.

Instructions: Please answer all questions carefully. If a question does not apply to your firm or circumstances, please enter “N/A.”

**1. Firm Information**

Firm Name:

Home Office Address:

Address	City	State	Zip
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Telephone Number(s):	(        ) (Area Code) Number	(        ) Fax (Area Code) Number
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California Address:	Address	City	State	Zip
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California Telephone:	(Area Code) Number	Fax (Area Code) Number
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**2. Name of Firm President/Chief Executive Officer/Managing Partner**

First Name	Middle Initial	Last Name	Job Title
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**3. Name and Title of Person Completing this Application**

First Name	Middle Initial	Last Name	Job Title
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**4. Certified Status Requested:**

<input type="checkbox"/> Minority Business Enterprise (MBE)	<input type="checkbox"/> Women Business Enterprise (WBE)
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