CALIFORNIA SCHOOL FINANCE AUTHORITY DEBT ISSUANCE GUIDELINES

These guidelines set forth debt issuance provisions the California School Finance Authority *(the "Authority") will require for financing transactions issued through the Authority. In addition to these debt issuance provisions, the Authority will also require each financing to adhere to the Authority's general requirements for debt issuance. Each financing will be reviewed individually and the Authority, in its sole and absolute discretion, may approve exceptions to these guidelines, require additional issuance provisions, or both.*

Ratings by rating agencies other than Moody's Investors Service, Inc. (Moody's), S&P Global Ratings (S&P), Fitch Ratings, Inc. (Fitch), or Kroll Bond Rating Agency, LLC (KBRA) will not be considered for purposes of complying with these guidelines. If debt has more than one rating, the lowest rating shall be considered the relevant rating for purposes of the guidelines.

RATING	ISSUANCE PROVISIONS
I. Minimum Requirements for Debt Rated BBB- (by S&P, Fitch, and/or KBRA)/Baa3 (by Moody's) or Higher **(collectively, the "Minimum Public Rating")**	• Bonds may be issued and sold through a public offering, private placement or limited public offering with appropriate disclosure. • Bonds may be issued in $5,000 denominations or such other denominations approved by the Authority. • Bond documents may permit bonds to be converted to other modes without further action by the California School Finance Authority • Bond payments must be made via the intercept mechanism outlined in Section 17199.4 of the Education Code. ***This applies to CSFA only***
II. Minimum Requirements for Debt Rated below BBB- (by S&P, Fitch, and/or KBRA)/Baa3 (by Moody's) or Unrated **(collectively, a "Sub-Minimum Rating")**	• Bonds must be sold in either a limited public offering or a private placement. • Bonds must be initially purchased by either (1) Qualified Institutional Buyers as defined under Rule 144A of the Securities Act of 1933 ("QIBs"); or (2) Institutional Accredited Investors as defined under Section 501(a) of Regulation D falling under the following paragraphs of such definition: (1), (2), (3), (7), (8), (9), or (12). ("Qualified AIs"). • Bonds must be purchased in minimum denominations of at least $100,000, and $5,000 in excess thereof. • Each Initial bond purchaser will be required to execute and submit a Sophisticated Investor Letter in form and content satisfactory to ***[[ID BCA]]***. • Appropriate Bond documents, including the Indenture and the face of each Bond, must contain a provision that prohibits initial sales and subsequent transfers of Bonds unless the initial purchaser or transferee is a QIB or a Qualified AI and in minimum denominations of at least $100,000, and $5,000 in excess thereof. • Initial purchaser restrictions and transfer restrictions must be prominently displayed and described in detail on the cover of any offering materials/disclosure document. • Bond payments must be made via the intercept

	mechanism outlined in Section 17199.4 of the Education Code. ***[[This applies to CSFA only]]***
III. Minimum Requirements for all Debt with a Sub-Minimum Rating purchased on behalf of initial investors by a Bondholder Representative	• The Bondholder Representative must be a QIB and a registered investment advisor responsible for managing at least $1 billion in assets. • The Bondholder Representative must identify the number of client accounts ("Represented Account") that it represents will be purchasing the Bonds. • The Bondholder Representative must have complete discretion and authority over the Represented Account to acquire and dispose of investments on behalf of the initial investor(s) it represents.. • Each client who will be the holder of the Bonds must meet the applicable purchase guidelines described in Section II and all restrictions set forth in Section II will apply (except as provided in this III). • Bond payments must be made via the intercept mechanism outlined in Section 17199.4 of the Education Code. ***[[This applies to CSFA only]]*** • The Bondholder Representative must execute a Bondholder Representative Letter substantially similar to the Sophisticated Investor Letter that would otherwise be required by initial investors. The Bondholder Representative Letter must be in form and content satisfactory to ***[[ID BCA]]*** and represent that, among other things: o The Bondholder Representative satisfies all requirements contained in this Section III. o All initial investors that will purchase Bonds are aware of, and agree to comply with, the restrictions associated with the debt, as outlined above, and are aware of the risks associated with such restrictions.