

Steps to Issue TRANS

<p>Step 1: Application Process</p>	<p><u>New Participants Send:</u></p> <ol style="list-style-type: none"> 1. Current year adopted budget and unaudited actuals 2. Audited financial statements for the prior three fiscal years 3. Most recent interim report (for K-12 issuers) or CCF5-311Q (for CEO issuers) as applicable 4. Most recent actual cash flow and/or cash flow projection 5. Final cash flow from prior year <p><u>Existing Participants Send:</u></p> <ol style="list-style-type: none"> 1. Current year adopted budget and unaudited actuals 2. Audited financial statement for the prior fiscal year 3. Most recent interim report (for K-12 issuers) or CCFS-311Q (for CCD issuers) as applicable 4. Most recent actual cash flow and/or cash flow projection 5. Final cash flow from prior year
<p>Step 2: Resolution Adoption</p>	<p>District's Board adopts program documents and sends signature pages to Dale Scott & Company.</p>
<p>Step 3: Cash Flow Preparation</p>	<p>The financing team assists school districts with the preparation of cash flows for individual district TRAN sizing. These cash flows are reviewed by Orrick, Herrington & Sutcliffe, the program's Bond Counsel</p>
<p>Step 4: Pricing</p>	<p>District's administration approves all aspects of the pricing including the interest rate on the notes, the investment of proceeds and the final costs of issuance.</p>
<p>Step 5: Closing</p>	<p>Funds are wired into the district's sub-account held by the Trustee and are invested per the district's instructions. Proceeds begin earning interest from the date of closing.</p>
<p>Step 6: Closing through Note Maturity</p>	<p>Districts enjoy access to note proceeds for cash flow purposes until payments are due under the notes.</p>
<p>Step 7: Set-aside Period</p>	<p>Funds periodically deposited into repayment account ahead of maturity date. Provides additional security for investors, improving ratings and lowering borrowing costs.</p>
<p>Step 8: Note Maturity</p>	<p>Principal and interest on the notes are repaid to investors. Any investment earnings in excess of total costs retained by Districts•</p> <ul style="list-style-type: none"> • Subject to compliance with certain federal tax regulations.

