Notice is hereby given that pursuant to RSMo Section 610.020, the State Fair Community College Board of Trustees will conduct a public meeting called by State Fair Community College President Dr. Brent Bates on Tuesday, September 12, 2023, at 5:30 p.m. for a Special Board of Trustees Session.

STATE FAIR COMMUNITY COLLEGE
BOARD OF TRUSTEES
SPECIAL SESSION MEETING AGENDA

Date: September 12, 2023
Time: 5:30 P.M.
Location: Hopkins Board Room, a public forum. If you would like to view the meeting virtually, please visit the **State Fair Community College YouTube Channel @ 5:30 p.m.**

Agenda

1. **CALL TO ORDER (Pres. Wood)**

2. **APPROVAL OF THE SPECIAL BOARD MEETING AGENDA (Pres. Wood)**

   Motion________________________________ Second____________________________

   Roll Call:

Amie Breshears______________	Tim Carr________________________
Justin Hubbs_________________	Tom Oldham____________________
Richard Parker_______________	Patricia Wood___________________

3. **CITIZENS COMMENTS (Recording Secretary Oesterle)**

   Remarks may be limited to three minutes and to one appearance, thus allowing a maximum number of participants in the allotted time period in which citizens are to speak to issues. Policy 0412 (approved 2/24/04)
   Citizens who wish to speak at the Board Meeting must notify the President one week prior to the date of the meeting. Citizens must provide the topic they wish to present when they give notice of their intent to speak. Regulation 0412 (approved 2/24/04)

4. RESOLUTION AUTHORIZING CERTAIN PRELIMINARY ACTIONS FOR THE FINANCING OF A STUDENT HOUSING FACILITY, AND APPOINTING PROFESSIONALS FOR SUCH FINANCING (VP Acuff)

WHEREAS, the Board of Trustees of The Community College District of Mid Missouri (the "District") hereby determines it to be in the best interest of the District to proceed with the financing of the construction a new on-campus student housing facility (the "Project"); and

WHEREAS, in order to obtain funds for the Project, the District expects to authorize the sale and delivery of certain obligations of the District (the "Series 2023 Obligations"), consisting of (1) certificates of participation, which will evidence proportionate interests in the rights of an appointed bank, acting as trustee, to rental payments and other rights under certain lease agreements to be entered into by the District, (2) revenue bonds payable solely from a pledge of the District's net income and revenues of the Project, or (3) a direct lease/lease purchase transaction; and

WHEREAS, with respect to the issuance, sale and delivery of the Series 2023 Obligations, the District desires to engage Gilmore & Bell, P.C., Kansas City, Missouri, to act as special tax or bond counsel and disclosure counsel to the District ("Gilmore & Bell"), Columbia Capital Management, LLC, Merriam, Kansas ("Columbia Capital"), to act as the District's financial advisor, and Piper Sandler & Co. ("Piper Sandler"), as the original purchaser if the Series 2023 Obligations are sold by public offering, or as placement agent if the Series 2023 Obligations are sold by direct placement; and

WHEREAS, the District desires to authorize Gilmore & Bell, Columbia Capital, Piper Sandler, the College President, the Vice President for Finance and Administration and other District officials, to proceed with all activities deemed necessary or advisable for the offering, sale, issuance and delivery of the Series 2023 Obligations, subject to the Board of Trustees' future approval of the terms of the sale and delivery.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE COMMUNITY COLLEGE DISTRICT OF MID MISSOURI AS FOLLOWS:

Section 1. The Board of Trustees hereby selects and approves Gilmore & Bell, P.C. to act as special tax or bond counsel and disclosure counsel to the District, Columbia Capital Management, LLC to act as financial advisor to the District, and Piper Sandler & Co., to act as underwriter or placement agent, with respect to the issuance, sale and delivery of the Series 2023 Obligations.

Section 2. The Board of Trustees hereby authorizes Gilmore & Bell, Columbia Capital, Piper Sandler, the College President, the Vice President for Finance and Administration and other District officials to proceed with all activities deemed necessary or advisable for the offering, sale, issuance and delivery of the Series 2023 Obligations in the manner and for the purposes described in the recitals of this Resolution, subject to the Board of Trustees' future approval of the terms of the sale and delivery of the Series 2023 Obligations.

Section 3. Without limiting the generality of the foregoing authority, District officials, in conjunction with Columbia Capital and Gilmore & Bell, are hereby authorized to cause to be prepared a Preliminary Official Statement and/or term sheet, and such documents are hereby authorized to be used in connection with the sale of the Series 2023 Obligations.

Section 4. For the purpose of enabling Piper Sandler, if acting as underwriter, to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the College President is hereby authorized, if requested, to provide a letter or certification to the effect that the District deems the information regarding the District contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and to take such other actions or execute such other documents as is reasonably necessary to enable the original purchaser to comply with the requirements of such Rule.

Section 5. The District further agrees to provide to Piper Sandler, if acting as underwriter, within seven business days of the date of the sale of the Series 2023 Obligations, or within sufficient time to accompany any confirmation that requests payment from any customer of Piper Sandler, whichever is earlier, sufficient copies of the final Official Statement to enable the original purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The officers and representatives of the District are hereby authorized and directed to take such other action as may be necessary to carry out the sale and delivery of the Series 2023 Obligations by the District.

Section 7. This Resolution shall be in full force and effect from and after its passage by the Board of Trustees.

Motion______________________________ Second____________________________

Roll Call:

Amie Breshears_______________ Tim Carr_________________________

Justin Hubbs__________________ Tom Oldham_____________________

Richard Parker________________ Patricia Wood____________________

5. NEXT GENERAL SESSION BOARD MEETING

The next Board of Trustees General Session meeting will be held on September 28, 2023, at 5:30 p.m. in the Hopkins Board Room.

6. REQUEST FOR CLOSED SESSION

It is recommended that the meeting be adjourned to Executive Session pursuant to RSMO 610.021, and that the Board of Trustees of State Fair Community College meet in closed meeting, with closed record and closed vote, on August 24, 2023, in the Hopkins Board Room on the campus of State Fair Community College, Sedalia, Missouri, for the purpose of considering:

b. Hiring, firing, disciplining, or promotion of personnel pursuant to RSMO Sec. 610.021(3)

Motion ______________________________ Second____________________________

Roll Call:

Amie Breshears_______________ Tim Carr_________________________

Justin Hubbs__________________ Tom Oldham_____________________

Richard Parker________________ Patricia Wood____________________

7. **GENERAL SESSION MEETING ADJOURNED**

Motion____________________________ Second__________________________

Roll Call:

Amie Breshears______________ Tim Carr_______________________

Justin Hubbs_________________ Tom Oldham____________________

Richard Parker_______________ Patricia Wood___________________

Mission

State Fair Community College provides relevant and responsive learning experiences that empower our students and communities to prosper.

Vision

State Fair Community College will be the communities' preferred choice, where students, faculty, and staff realize their confidence, passion, skills, and potential.

UPCOMING EVENTS		
August 31-October 1, 2023	Missouri Photo Workshop: 1980 Sedalia Daum Museum *In anticipation of Missouri Photo Workshop's return for its 75th anniversary, this exhibition features work from the 1980 MPW that took place in Sedalia. The Missouri Photo Workshop has been documenting small-town America for over seven decades.*	Tues.-Fri., 11 a.m.-5 p.m. Sat.-Sun., 1-5 p.m. Closed Mondays
September 9, 2023	Men's Soccer vs. St. Charles CC *SFCC Athletic Field*	4 pm
September 12, 2023	Board of Trustees Meeting – Special Session *Hopkins Board Room and via Zoom*	5:30 pm
September 16, 2023	Boy Scout Merit Badge Camp *Boy Scouts will be going through merit badge trainings with several facilitated by SFCC faculty. Admissions and ambassadors will be doing a presentation and giving tours to over 400 scouts, leaders, facilitators, and parents. The Campus Store will be open for swag.*	8 am-4 pm
September 16, 2023	Festival Latino *Downtown Sedalia and The Pavilion* *There will be a parade, car show, dessert contest, salsa contest, beauty pageant, talent show, and lots of food.*	12-8 pm
September 20, 2023	Job and College Transfer Fair	TBD
September 24, 2023	SFCC Softball vs. KC Rebels – Soldner	1 pm & 3 pm
September 28, 2023	Board of Trustees Meeting – General Session Hopkins Board Room	5:30 pm
September 30, 2023	2nd Annual SFCC Mouse Races Fred E. Davis Multipurpose Center *All proceeds will go toward the ON CAMPUS Outdoor Athletic Facilities!* *Visit* www.SFCCMORoadrunners.com/support/fundraisers *or contact* mrupard@sfccmo.edu *(Must be 21 & over to attend.)*	Doors Open – 5:30 pm Races Begin – 6:30 pm
October 9-12, 2023	ACCT Leadership Congress Aria Resort & Casino, Las Vegas, NV	
October 19, 2023	Manufacturers Milestone Banquet *Sponsored by Economic Development of Sedalia-Pettis County* Sedalia Country Club	5:30 pm
November 2, 2023	Tentative: Legislative Advocacy Event at SFCC	TBD
November 8-10, 2023	MCCA's 59th Annual Convention: "*Expanding Opportunity: What's Next*" Kansas City Marriott Downtown *To register, go to:* https://missouricommunitycollegeassociation.growthzoneapp.com/ap/Events/Register/xP2KOZvL?sourceTypeId=Website&mode=Attendee	
December 1, 2023	Holiday Gala Open House *Sponsored by Economic Development of Sedalia-Pettis County* Sedalia Country Club	2-4 pm
March 23, 2024	Foundation Gala	TBD

RESOLUTION AUTHORIZING CERTAIN PRELIMINARY ACTIONS FOR THE FINANCING OF A STUDENT HOUSING FACILITY, AND APPOINTING PROFESSIONALS FOR SUCH FINANCING.

WHEREAS, the Board of Trustees of The Community College District of Mid Missouri (the "District") hereby determines it to be in the best interest of the District to proceed with the financing of the construction a new on-campus student housing facility (the "Project"); and

WHEREAS, in order to obtain funds for the Project, the District expects to authorize the sale and delivery of certain obligations of the District (the "Series 2023 Obligations"), consisting of (1) certificates of participation, which will evidence proportionate interests in the rights of an appointed bank, acting as trustee, to rental payments and other rights under certain lease agreements to be entered into by the District, (2) revenue bonds payable solely from a pledge of the District's net income and revenues of the Project, or (3) a direct lease/lease purchase transaction; and

WHEREAS, with respect to the issuance, sale and delivery of the Series 2023 Obligations, the District desires to engage Gilmore & Bell, P.C., Kansas City, Missouri, to act as special tax or bond counsel and disclosure counsel to the District ("Gilmore & Bell"), Columbia Capital Management, LLC, Merriam, Kansas ("Columbia Capital"), to act as the District's financial advisor, and Piper Sandler & Co. ("Piper Sandler"), as the original purchaser if the Series 2023 Obligations are sold by public offering, or as placement agent if the Series 2023 Obligations are sold by direct placement; and

WHEREAS, the District desires to authorize Gilmore & Bell, Columbia Capital, Piper Sandler, the College President, the Vice President for Finance and Administration and other District officials, to proceed with all activities deemed necessary or advisable for the offering, sale, issuance and delivery of the Series 2023 Obligations, subject to the Board of Trustees' future approval of the terms of the sale and delivery.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE COMMUNITY COLLEGE DISTRICT OF MID MISSOURI AS FOLLOWS:

Section 1. The Board of Trustees hereby selects and approves Gilmore & Bell, P.C. to act as special tax or bond counsel and disclosure counsel to the District, Columbia Capital Management, LLC to act as financial advisor to the District, and Piper Sandler & Co., to act as underwriter or placement agent, with respect to the issuance, sale and delivery of the Series 2023 Obligations.

Section 2. The Board of Trustees hereby authorizes Gilmore & Bell, Columbia Capital, Piper Sandler, the College President, the Vice President for Finance and Administration and other District officials to proceed with all activities deemed necessary or advisable for the offering, sale, issuance and delivery of the Series 2023 Obligations in the manner and for the purposes described in the recitals of this Resolution, subject to the Board of Trustees' future approval of the terms of the sale and delivery of the Series 2023 Obligations.

Section 3. Without limiting the generality of the foregoing authority, District officials, in conjunction with Columbia Capital and Gilmore & Bell, are hereby authorized to cause to be prepared a Preliminary Official Statement and/or term sheet, and such documents are hereby authorized to be used in connection with the sale of the Series 2023 Obligations.

Section 4. For the purpose of enabling Piper Sandler, if acting as underwriter, to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the College President is hereby authorized, if requested, to provide a letter or certification to the effect that the District deems the information regarding the District contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and to take such other actions or execute such other documents as is reasonably necessary to enable the original purchaser to comply with the requirements of such Rule.

Section 5. The District further agrees to provide to Piper Sandler, if acting as underwriter, within seven business days of the date of the sale of the Series 2023 Obligations, or within sufficient time to accompany any confirmation that requests payment from any customer of Piper Sandler, whichever is earlier, sufficient copies of the final Official Statement to enable the original purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The officers and representatives of the District are hereby authorized and directed to take such other action as may be necessary to carry out the sale and delivery of the Series 2023 Obligations by the District.

Section 7. This Resolution shall be in full force and effect from and after its passage by the Board of Trustees.

ADOPTED by the Board of Trustees this 12th day of September, 2023.

(SEAL)

____

Board of Trustees, President

ATTEST:

____

Board of Trustees, Secretary

State Fair Community College

Summary of Underwriting Responses - New Residence Hall, September 1, 2023

Respondent	Piper Sandler	Stifel	UBS
Primary Contact	Neil Pritz	Martin Ghafoori	Allison Pink
Contact Phone	312-267-5193	314-3428467	312-525-4120
Comprehensive Response Rating (1-5)	4.25	3.00	3.25
TIC - COPs	4.990%	5.769%	4.901%
TIC - Revenue Bonds	5.700%	7.011%	5.231%
Estimated Annual DS - COPs	$1,190,000	$1,300,000	$1,180,000
Estimated Total DS - COPs (Mature 2048)	$28,162,456	$30,706,050	$27,883,956
Estimated Annual DS - Revenue Bonds	$1,190,000	$1,390,000	$1,120,000
Estimated Total DS - Revenue Bonds (Mature 2053)	$33,944,088	$39,695,588	$32,050,506
Total UW Discount - COPs ($/Bond)	$6.27	$20.00	$10.04
Total UW Discount - Revenue Bonds ($/Bond)	$7.93	$20.00	$10.04
Office	Chicago, IL Kansas City, MO	St. Louis, MO	Chicago, IL

COLUMBIA CAPITAL
MUNICIPAL ADVISORS

PIPER | SANDLER

State Fair Community College

Response to Request for Proposals to Serve as Underwriter

State Fair Community College

Neil Pritz
Managing Director

444 W. Lake Street, 33rd Floor
Chicago, IL 60606

Tel: 312-267-5193

neil.pritz@psc.com

Matt Courtney
Vice President

11635 Rosewood Street
Leawood, KS 66211

Tel: 913-345-3355

matthew.courtney@psc.com

PIPER | SANDLER

444 W. LAKE STREET, SUITE 3300
CHICAGO, IL 60606-4616
P 312-267-5193
Piper Sandler & Co.
Since 1895. Member SIPC and NYSE.

September 1, 2023

Attn: Adam Pope, Managing Director
Columbia Capital Management, LLC
apope@columbiacapital.com

Dear Mr. Pope,

Piper Sandler & Co. is pleased to offer our underwriting services to State Fair Community College (the College) in connection with the planned transaction to provide funds for the construction of a Student Housing Project. After reviewing financing alternatives presented in the Request for Proposals (RFP), we recommend the College utilize Certificates of Participation (COPs) vs revenue bonds. As outlined in our proposal, we believe the COP structure is a much stronger credit and provides the lowest cost of capital.

Further, to strengthen investor receptivity, and potentially qualify this financing for bond insurance (which would broaden the range of potential purchasers and lower interest cost significantly), we recommend the financing be issued as "Additional Certificates" under the 2017 Indenture. This would allow the buildings financed with the 2017 COPS to be part of the leasehold interest in this new financing until 2027, shortly after the new dormitory is placed in service. By providing such collateral during the construction period the College mitigates investor, rating agency, and bond insurer concerns about project completion and revenue risks. It is also unlikely that the bond insurers would provide a policy on the COP financing without the additional leased property during construction. Based on preliminary discussions, Assured Guaranty provided an indicative quote, pending approval of the credit and structure, for bond insurance on the COPs for approximately 0.80%-1.00% of total debt service.

We provide pricing for both an uninsured (Baa1) and Insured (AA) COP transaction of 25 years, the maximum maturity under Missouri Law. We also provide pricing for both an uninsured (estimated Baa3) and insured (AA) revenue bond financing over 30 years. Lastly, we discuss a bank private placement alternative that we propose running in tandem with a conventional public offering, allowing the College to compare rates and financing terms to achieve the most favorable terms and borrowing costs.

The Piper Sandler team offers the College the resources of a top-10 national underwriting and placement firm and leading sales force with the benefits of our regional focus and sector expertise, specifically:

- One of the largest and most effective sales forces in the municipal bond industry that covers 5,466 institutional accounts nationally, including 175 accounts in Missouri.
- A regional focus on the Midwest and Missouri in particular, and bankers experienced in all forms of state and local government and education financing, including Certificates of Participation.
- Extensive experience serving colleges and universities across the nation, including in Missouri, which keeps us in frequent contact with rating agencies, bond insurers, and investors, providing insight into their concerns regarding the higher education sector.

Thank you in advance for considering our credentials and ideas as you seek to raise capital. The College can be confident of achieving outstanding results by selecting our team for this important assignment. We are both authorized to commit the firm to all terms and conditions contained in the RFP.

Sincerely,

Neil Pritz **Matt Courtney**

Table of Contents

MSRB Disclosure Statements for Underwriter

Piper Sandler is providing the information contained herein for discussion purposes only in anticipation of being engaged to serve as underwriter or placement agent on a future transaction and not as a financial advisor or municipal advisor. In providing the information contained herein, Piper Sandler is not recommending an action to you and the information provided herein is not intended to be and should not be construed as a “recommendation” or “advice” within the meaning of Section 15B of the Securities Exchange Act of 1934. Piper Sandler is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act or under any state law to you with respect to the information and material contained in this communication. As an underwriter or placement agent, Piper Sandler’s primary role is to purchase or arrange for the placement of securities with a view to distribution in an arm’s-length commercial transaction, is acting for its own interests and has financial and other interests that differ from your interests. You should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank and institutional securities firm driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member SIPC and FINRA; in Europe through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; and in Hong Kong through Piper Sandler Hong Kong Ltd., authorized and regulated by the Securities and Futures Commission. Asset management products and services are offered through separate investment advisory affiliates.

B. Firm Description

Provide the firm name, address, telephone and facsimile number. Include a brief description of the firm.

PIPER SANDLER & CO.

Piper Sandler Companies (NYSE: PIPR) is a client-focused investment banking firm dedicated to delivering financial advice and transaction execution in multiple sectors of public finance, corporate finance, and equities. Public Finance is a core business (see: http://www.pipersandler.com) and accounts for approximately 33% of overall firm revenues, translating into significant capital and underwriting commitment we offer the College. Piper Sandler has no debt in its capital structure. Our uncommitted excess net capital as of March 31, 2023 is $197.4 million, providing the capacity to underwrite approximately $2.8 billion of municipal bonds per regulatory and firm requirements. Our underwriting desk has standing authority to take down $100 million of bonds in a single transaction and can take down more with management approval.

PIPER SANDLER & CO.
444 W. Lake Street, 33rd Floor
Chicago, IL 60606
Phone: (312) 267-5193 | Fax: (312) 277-3864

Kansas City Metro Office:
11635 Rosewood Street
Leawood, KS 64114
Phone: (913) 345-3355 | Fax: (913) 345-3393

ORGANIZATION OF PUBLIC FINANCE-PIPER SANDLER'S DISTINCTIVE UNDERWRITING PLATFORM

Public Finance, headquartered in Minneapolis, currently has 157 professionals in 42 offices nationally with dedicated specialists in all market sectors including State and Local Government and Higher Education; it is supported by 14 underwriters, 118 salespeople, and a 31 member staff of senior credit and market analysts that assist clients with rating agency analysis, market and economic outlooks, and investor and agency presentations. Piper Sandler is consistently ranked among the top 10 underwriters in par value, and top 3 in number of senior managed issues. In 2022, per Thompson Reuters, Piper Sandler ranked 10th by par amount nationally for senior managed issues ($15.22 billion). This includes 12 Missouri financings ($166 million). A snapshot of selected practice areas relevant for this transaction is provided below.

Piper Sandler Public Finance Offices

MIDWEST AND MISSOURI PRACTICE

Piper Sandler has been a leading underwriter of municipal issues in this region since 1990. This is a direct result of our strong presence in the Midwest, including offices in Kansas City, St. Louis, Chicago, Des Moines, Lincoln, Milwaukee, and Omaha in addition to our headquarters in Minneapolis. A total of 40 investment banking professionals work with a wide variety of clients in these and other states in the region in several specialty areas including housing, healthcare, higher education finance and state & local government, including school and special districts.

In October 2015, Piper Sandler expanded its public finance and fixed income sales and trading team with the acquisition of BMO Capital Markets GKST Inc. The Chicago-based group added 55 bankers, fixed income sales and trading professionals to our existing robust public finance and fixed income sales and trading team.

PIPER SANDLER UNDERWROTE OR PRIVATELY PLACED 1,375 FINANCINGS FOR MIDWEST ISSUERS AND 91 FINANCINGS FOR MISSOURI ISSUERS FROM 2018-2022, RANKING #1 AND #3, RESPECTIVELY, BY NUMBER OF ISSUES OVER THAT TIMEFRAME

Within Missouri, Piper Sandler has been a top-3 underwriter and placement agent by number of financings over the past five year period. We have served clients of all types for over 30 years from offices in Kansas City and St. Louis. Due to Missouri's stringent laws governing the issuance of general obligation bonds and most revenue bonds, many Missouri issuers routinely issue Certificates of Participation and other lease and annual appropriation structures. Due to our extensive work across the state, Piper Sandler is very familiar with these structures, and we provide some suggestions later in our proposal around how to make a COP structure as attractive as possible to investors, rating agencies, and bond insurers.

Illustrating our knowledge of the COP/Lease/Annual Appropriation structure, Piper Sandler has served as senior or sole managing underwriter for 11 Missouri annual appropriation public offerings totaling $124 million in par amount since 2020 (8 Certificates of Participation financings and 3 Special Obligation Bond financings), and have executed direct placements for 14 Certificates of Participation or Direct Lease Purchase financings totaling $159 million par amount in that same timeframe. Additionally within that timeframe, we served as financial advisor on 46 appropriation financings totaling $364 million, including a $43 million Certificates of Participation financing for Metropolitan Community College (Kansas City MO) to construct a two new buildings and renovate existing facilities.

Higher Education Practice

Piper Sandler also has ranked as a top 10 underwriter nationally of higher education bonds over the past five years. Our finance team consists of six professionals who work with colleges, universities of all sizes and complexity, from large multi-campus universities to small private colleges. Examples of public or state university clients include the University of Central Missouri, South Dakota Board of Regents, Northern Illinois University, Indiana State University, Ball State University, University of Connecticut, Minnesota State Colleges and Universities, Colorado Mesa University, and Michigan Technological University. Our work with these institutions is to collaborate with all financing team members in designing and executing the plan of finance, including assisting with document preparation and presentations to the governing board and rating agency, prior to extensive marketing to investors to assure wide distribution of the bonds.

Community College Experience

Piper Sandler vast experience underwriting financings for community colleges. Since 2020, we have served as senior or sole managing underwriter on 45 financings totaling $3.1 billion for community colleges across the nation. These financings ranged in size from $3.6 million for Barton County Community College in Kansas to $225 million for Portland Community College in Oregon. Regardless of the size of the financing, we place an experienced team of professionals to work for each our clients to help raise the college's needed capital.

C. Professional Experience and References

Provide a list of the individuals who will be assigned to work with the College on the proposed financing, including the firm's lead underwriter assigned to the financing and identifying personnel with day-to-day responsibility. Describe the role of each individual in the underwriting and include the telephone and email for each. Include a brief resume of each individual's education and training and include experience on similar credits.

Neil Pritz, Chicago, and Matt Courtney, Kansas City, will lead the Piper Sandler – State Fair Community College team. Responsibilities will include coordinating the firm's resources, assisting in the development and implementation of financing plans and coordination of the rating and credit enhancement process.

Neil, a Managing Director with more than 30 years of Midwest public finance experience, brings expertise from state and local government financings (including COPs and appropriation backed bonds of numerous kinds) and financings for public and private colleges and universities .

Matt joined our Kansas City office in 2009 and has assisted many issuers throughout Missouri and eastern Kansas access the capital markets through issuing Certificates of Participation with a leasehold interest in real estate, which is the structure that we recommend later in our proposal. Additionally, Matt has participated in Piper Sandler's advisory teams assisting Johnson County Community College (KS) and Metropolitan Community College (Kansas City MO) finance building projects on their campuses, utilizing Certificates of Participation and, in the case of JCCC, Auxiliary System Revenue Bonds.

Analytical support and other transaction assistance will be provided by Brett Knorr, Chicago. Peter Stettler, Chicago, a veteran credit analyst, will assist with rating agency and investor presentations. Underwriting will be led by Mike Frederickson, Piper's head of higher education underwriting. In addition to his focus on higher education, Mike has also served as the lead underwriter on several Missouri annual appropriation financings.

FINANCING TEAM	
Investment Banking	
Neil Pritz *Managing Director* Chicago, IL (312) 267-5193 neil.pritz@psc.com	**Role: Lead Banker** • Years in industry: 30 years • Experience: Senior banker responsible for coverage of Midwest governments. Managed over $5 billion of Illinois financings, including issues for City of Chicago, State of Illinois, Chicago Metropolitan Water District. Since 1991 managed all financings for South Dakota Board of Regents, including establishment of its current auxiliary facilities system. • Served as Placement agent and senior managing underwriter for Northern Illinois University, City of Springfield Illinois. Senior managed all bond issues since 1990 and assisted in creating the current housing and auxiliary finance system for the South Dakota Board of Regents. • Extensive senior managed appropriation backed bond experience, including financings for South Dakota Building Authority, City of Milwaukee, and City of Chicago. • Education: University of Chicago (MBA; MA)
Matthew Courtney *Vice President* Leawood, KS (913) 345 3355 matthew.courtney@psc.com	**Role: Co-Lead Banker** • Years in industry: 14 years • Extensive experience underwriting and placing Missouri financings, including annual appropriation lease credits such as Certificates of Participation • Prior relevant experience, Community Colleges - Metropolitan Community College (KCMO), Johnson County Community College (KS) • Prior relevant experience, Missouri Annual Appropriation COPs, Leases and Special Obligation Bonds – City of Sedalia, Warrensburg Schools, St. Charles PWSD No. 2, Stone County PWSD No. 2, Jefferson County PWSD No. 2, Camden County PWSD No. 4, City of Neosho, Jackson County (Animal Shelter Refunding) • Education: Drake University (BA, Economics), CFA Charterholder
Brett Knorr *Analyst* Chicago, IL (312) 267-5066 brett.knorr@psc.com	**Role: Analytics Banker** • Background: Joined Piper Sandler in March of 2022; responsible for quantitative analysis and transaction support for both local and general government coverage. • Education: Indiana University Kelley School of Business (BS-Finance & Business Analytics)
Underwriting	
Mike Frederickson *Managing Director* Minneapolis, MN (612) 303-6681 michael.frederickson@psc.com	**Role: Lead Underwriter** • Years in industry: 33 years • Role: Responsible for coordinating competitive bidding efforts as well as leading negotiated underwritings for higher education and healthcare credits • Relevant Experience: Institutional sales, municipal trading and underwriting, and commercial lending • Education: Gustavus Adolphus College (Bachelor's-Finance)
Fixed Income and Municipal Credit	
Peter Stettler *Principal* Chicago, IL (312) 267 5187 peter.stettler@psc.com	**Role: Municipal Credit Analytics** • Years in industry: 26 years • Role: Support the firm's sales and trading and public finance teams. Prepare rating analyses and scorecards for clients. Develop rating agency and investor presentations in support of higher education and government client transactions. • Background: Sell-side credit analyst EVEREN Securities, Inc.; BMO Capital Markets; Piper Sandler and Co. Supported transactions for the Board of Education of the City of Chicago • Rating Agency Analyst - Fitch Ratings: Served on the tax-backed / essential utilities and transportation teams covering major entities including the City of Chicago, Metropolitan Water Reclamation District of Greater Chicago, Chicago O'Hare International Airport, and the Illinois State Toll Highway Authority • Relevant experience: Assisted with credit assessments, peer comparisons, and transaction documents for universities including Northern Illinois University, Governors State University (IL), and the University of Denver • Education: Northern Illinois University (Bachelor's; MPA)

REFERENCES

Bill Hawley *Vice President of Finance & Operations* University of Central Missouri hawley@ucmo.edu (660) 543-4113	**Rachael Lierz** *Executive Vice President, Finance & Administrative Services* Johnson County Community College (Kansas) rachellierz@jcc.edu (913) 469-4480
Patricia Amick *Assistant Vice Chancellor, Financial Services & Administrative Systems* Metropolitan Community College (Kansas City, MO) patrica.amick@mcckc.edu (816) 604-1567	**Heather Forney** *Vice President of Finance and Administration* South Dakota Board of Regents heather.forney@sdbor.edu 605-773-3455

D. Structure and Timing

Provide any thoughts or ideas related to the Project, Security, or Financing Terms options outlined previously in this Request. Please describe the advantages and/or disadvantages of the two security options. Please include a discussion of optimal coverage ratios, debt service reserve funds, and any other important credit differences.

After reviewing the financing options provided in the Request for Proposals (RFP), Piper Sandler recommends the College utilize the Certificate of Participation (COP) structure for the financing of the planned dormitory project. Our recommendation reflects the following benefits:

- While the College may utilize the net revenues of the new dorm to make annual debt service payments, the COP structure provides a much broader revenue stream for the benefit of bondholders based on the legally available revenues of the College, subject to annual appropriation. The broad revenue stream creates a stronger credit, resulting in a higher rating and greater investor participation to achieve the lowest borrowing cost.
- The COP structure is widely used and accepted in the Missouri market and the College has a track record of successfully issuing COPs and meeting its debt service commitments. Still, we must advise the College that, while aware the payments are subject to annual appropriation, the rating agencies and investors view the COP structure as a contractual obligation with the failure to appropriate resulting in negative credit consequences similar to a default on a bond transaction (e.g. a multiple notch rating downgrade to well below investment grade and limited market access).
- Under Missouri law the COP structure must include a leasehold interest in property, granting investors a form of collateral and a security interest in the transaction. This provides an incentive to the College to make its annual payments, as an event of non-appropriation allows the Trustee the ability to deny the College access to, and potentially re-let, the pledged leasehold interest for the term of the Base Lease (usually 2x the term of the Certificates).
- The presence of an existing revenue stream and collateral reduces the direct exposure of investors to the construction and performance risks associated with the project. However, these risks are absorbed by the College and are factored into the general credit considerations of the rating agencies and investors.

STUDENT HOUSING REVENUE BONDS, OR AUXILIARY SYSTEM REVENUE BONDS (REVENUE BONDS)

A revenue bond structure, in theory, can offer certain advantages over COPs:

- A true legal pledge of revenues from the Project, not subject to annual appropriation
- Limited liability, as the College's legal obligation is to pay debt service from dormitory revenues. There is no obligation to transfer funds from any other resources of the College to pay debt service in the event dormitory revenues are insufficient (the College may choose to do so).
- Revenue Bonds do not pledge any real estate to bondholders
- Ability to finance the project over 30 or more years

However, those stated benefits are far outweighed by the disadvantages of the structure for State Fair Community College:

- A very narrow revenue stream from a single dormitory (or two dormitories if the College creates and pledges the revenues of a system) serving less than 200 students.
- Operational risk as the dorm is offered as a convenience to students as the College has limited ability to require students live on campus. Thus, the College-owned dorms are exposed to market competition, which limits pricing flexibility.
- Need for, and cost of, capitalized interest to make debt service payments through the opening date of the facility.
- Exposure to construction risk, including increased construction costs, which may make the dorms uncompetitive, and delays which may push the opening date and development of the revenue stream past the capitalized interest period.
- Increased costs of issuance, including need for a market study to demonstrate the ability of the dorm to generate sufficient revenue to make debt service for at least the first five years of operation.
- Significant covenant requirements including a rate covenant for net revenues to generate at least 110% of annual debt service; if violated a requirement to raise rates; liquidity requirements restricting the use of dorm related revenue; and a debt service reserve funded at closing with bond proceeds which increases size of the transaction.

The cumulative effect of the disadvantages of the revenue structure result in a much weaker credit, with the likely rating at least two notches below that of a COP. This results in much less investor interest and a corresponding increase in borrowing costs which may make the dorm uneconomical.

ENHANCED COP STRUCTURE – ADDITIONAL CERTIFICATES TO SERIES 2017

Following Moody's recalibration of higher education bond ratings (including community colleges) in 2021, the College's Issuer-level rating was downgraded to A3, and the College's bond rating on its existing Series 2017 COPs was downgraded two notches from A2 to Baa1. Additionally, community college enrollments, including the College's, continue to decline due to the effects of the Covid pandemic, the strength of the economy which draws potential students into the full-time workforce, and demographic trends which indicate decline in the college-age population. The declines in enrollment pressure higher education overall, making investors wary of investing in bonds tied to higher education as an industry, and smaller institutions and student housing projects in particular.

The College's lower rating and investor disfavor of student housing bonds suggest the College explore additional approaches to the upcoming financing to enhance the likelihood for securing the Baa1 rating and, importantly, a higher probability of qualifying for bond insurance. Qualifying for and using bond insurance allows the COPs to draw from a larger potential investor pool, likely resulting a significant reduction in overall borrowing costs.

To this end, rather than financing the new dorm as a COP secured solely by a leasehold interest in the new, to-be-built dormitory, **we recommend that the College consider issuing the new COPs as "Additional Certificates" under the existing Series 2017 Indenture**.

Issuing the new Certificates as Additional Certificates under the 2017 Indenture makes the new COPs a stronger credit by providing additional leasehold collateral (the Science and Allied Health Center with a 2017 insured replacement value of $8.1 million and the Charles E. Yeater Learning Center with a 2017 insured replacement value of $17.3 million) through construction and the first two years of operation. By doing so, the College increases the likelihood of qualifying for bond insurance companies as the require a fully operational facility as collateral and will not consider the leasehold interest on the new facility until it is completed and placed in operation. Missouri state law does not allow collateral substitution (ie, bringing in an unrelated building which is not being improved by bond proceeds as leasehold collateral during construction), so one way, and perhaps the only way, to provide sufficient leasehold collateral during construction is to issue the new Certificates as Additional Certificates under the 2017 Indenture.

The Supplemental Indenture would be written in a way that allows the College to unencumber the Science and Allied Health Center and the Charles E. Yeater Learning Center upon the repayment of the Series 2017 COPs in

2027, leaving just the new (and at that time constructed and operating) dormitory as the sole leasehold collateral thereafter.

As you may recall from the issuance of the 2017 COPs, the College needed to get Bank of America's consent to subordinate its lien on certain equipment installed within the Science and Allied Health Center and the Charles E. Yeater Learning Center (through a 2011 equipment lease) to the 2017 COPs. In order to issue the new Certificates as Additional Certificates under the 2017 Indenture, Bank of America would need to consent to being subordinate to the new Certificates in the same way. If Bank of America does not consent, another alternative would be to prepay Bank of America's lease if allowed under the lease documents, or defease the lease payments to maturity if prepayment of the lease is not allowed.

ALTERNATIVE OR SUPPLEMENTAL SALES APPROACH – DIRECT PLACEMENT (DUAL TRACKING WITH PUBLIC SALE)

As an alternative to, or in conjunction with, a potential public sale in the capital markets, the College may consider directly placing the financing with an individual investor (likely a bank, but possibly a mutual fund or insurance company).

Piper Sandler offers a dedicated municipal private placement desk through which it markets such offerings to over 300 banks and other investors. By acting as placement agent, we actively canvas a broad range of potential investors or lenders to solicit the best possible private placement execution (lowest rate, most flexible terms). Utilizing the bank and financial institution relationships of our middle markets sales force, we maintain deep relationships not just with money center banks, but also local and regional institutions we have educated about this product type, creating a strong investor group.

Our clients have found Piper Sandler's private placement approach to be beneficial for the following reasons:

1. **The lowest interest rate available in the market**. The interest rate and terms of the financing are determined through a competitive process, which assures that the client receives the lowest cost and best terms available.
2. **A broad solicitation process**. We have a desk dedicated exclusively to private placements which over the past 15 years has established a data base of banks in every state interested in these financings. Our process as placement agent typically begins with the initial contact of approximately 30-60 such investors that we believe may have interest in the financing. This would include potential local, regional and national institutional investors.
3. **A focus on security package**. We understand the importance of avoiding additional covenants in these types of transactions. We work hard to set investor expectations early in this process to avoid unanticipated outcomes. We work closely with the legal team to carefully vet proposals and identify potential concerns prior to the client selecting a purchaser.

We know our track record in this market is unmatched in the industry. Between 2018 and 2022, we senior managed 954 long-term private placements totaling $10.5 billion. To date, we have completed private placements with over 400 different banks.

OUR PLACEMENT PROCESS IS AS FOLLOWS:

1. **Structure & Review Documents.** Piper Sandler works with a client to help finalize a financing structure, discuss timing for a bid date and finalize the Preliminary Term Sheet (PTS).
2. **Leverage Investor Network.** Piper Sandler's placement group works to compile a list of (roughly 50+) potential purchasers for the client's securities based on geographic location, maturity length, average life and interest in the specific structure. Local banks in the area, among other national banks are included in the distribution.
3. **Broad Term Sheet Distribution.** Piper Sandler circulates the client's PTS with a bidding package to potential purchasers at least 2 weeks (10 business days) prior to the bid due date.
4. **Follow-up & Respond to Inquiries.** Once the bidding package is circulated, we follow-up with potential purchasers to make sure they received the materials and to answer any questions.
5. **Organize Solicitation Summary.** On the bid due date, we compile a report to compare each bid from responding purchasers and also share any feedback from those who do not respond.
6. **Discuss Winning Bid & Award Sale.** We work with the client to help select the most cost-effective bid and award the sale if results are attractive.

Importantly, this direct placement process can be dual-tracked with the public offering. The placement process can take place in tandem with the process of readying a public offering, with Official Statement information on the College and structure conveyed in a private placement term sheet that would be distributes along with bid sheet to bank and other private placement investors. The private placement bidding process takes about 2 weeks. If the terms provided by the placement process are satisfactory, the College can move forward with the placement and stop the public offering. If the placement process does not provide a satisfactory result, the College can move forward with the public offering while having lost minimal time (above mentioned 2 weeks) in connection with the placement process. Members of Piper's team have worked on placements with Columbia Capital which is familiar with our process, seen it succeed and can advise the College on whether the placement process is a desired adjunct to the upcoming financing.

An important factor in this decision is that many banks will not lend at a fixed rate for the full 25 or 30 year term that the College desires. Some banks will allow bonds to amortize over 25 or 30 years, with either a rate reset or mandatory put after 10, 12, or 15 years. Compared to a 25 or 30 year fixed rate public market financing, the initial interest rate for a direct placement with a 25 or 30 year final maturity with rate reset may be lower that the interest rate on fixed rate bonds in the current market. Additionally, the direct placement can often have a relatively short call feature (3 to years) , allowing the issuer to refund out of the adjustable rate financing prior to the rate reset or put date if the interest rate environment allows for a favorable refunding.

Other Security Features-Debt Service Reserve Fund

If the College issues COPs, we do not believe that a debt service reserve fund is a requirement to complete the financing in the public markets, but as we get towards pricing and receive feedback from potential bond purchasers, we believe that it would be prudent to keep the option of including a reserve open in case certain investors require one, and satisfying those buyers would get the financing completed at the lowest rate. Unlike the experience of the last decade-plus, in the current interest rate environment a debt service reserve fund earns interest in an amount similar to the bond yield, so the negative carry of a debt service reserve fund isn't as significant of an issue today as it has been in prior years.

It should be noted that in order to have bond insurance, the College will likely need to (and in the case of Assured Guaranty, will need to) carry a debt service reserve fund equal to max annual debt service; however, the debt service reserve could be held either with cash (funded out of bond proceeds), or with a Surety policy from the bond insurer (surety costing 3-3.5% of max annual debt service).

E. Rating Strategy

Describe your proposed rating agency strategy. Describe what affect, if any, your firm anticipates the additional debt of this transaction will have to the College's rating.

Should the College move forward with the planned 2023 transaction in the public market we recommend that Moody's be retained to provide the rating for the issue due to the historical relationship and understanding of the College's situation. While S&P is an acceptable alternative, as they also moved community colleges under their higher education methodology we do not anticipate a difference in their analytical conclusion providing little incentive for the College to switch agencies. Furthermore, based on the current market environment and the relatively small amount of the planned issuance we believe the College will receive a favorable pricing result with a single rating.

Moody's currently maintains an A3 issuer rating on the College, with a Stable rating outlook, while the instrument rating on the outstanding 2017 COP issue is one notch lower at Baa1. At the time of its last report on the College in September 2021, which was undertaken when Moody's placed community colleges under its higher education rating methodology, the agency stated the College's credit strengths included its: strong total cash and investments compared to budget with flexibility to increase tuition; and, its very good revenue diversity as evidenced by the largest revenue source, tuition and fees, accounting or approximately 35% of operating revenue. The agency viewed the College's sustained enrollment declines exacerbated by the coronavirus, weaker monthly days cash on hand compared to peers, exposure to ad hoc state aid cuts, and its small operating size as credit concerns.

In terms of the approach to Moody's, we believe the College should emphasize the maintenance of the strengths identified by the agency, particularly its ability to maintain sound financial operations considering the challenges of the past few years. For example, the College enhanced its liquidity profile over the past four years with total cash and investments rising to $40.5 million at the end of FY 2022, equaling 346 days cash on hand (DCOH), from $23.3 million, or 196 DCOH, in FY 2019.

Operationally, the College moved from a $1.03 million loss in FY 2019 to a $8.8 million surplus in FY 2022, though this largely reflects the use of covid relief funds. The College should be prepared to address questions from Moody's regarding its budget forecast and ability to maintain its financial operations as covid funds diminish.

Favorably, net tuition revenue remained constant during over the past four years at around $10.0 million despite the downtrend in enrollment, which was supplemented by a bump in state appropriations in FY 2021. Also, the College was diligent in controlling costs, which declined from $47.8 million in FY 2020 to $45.4 million in FY 2022 though the management discussion and analysis in the FY 2022 audit mentions building cost pressures due to rising wages and inflation.

A final positive to note is the significant decline in the College's unfunded pension liability, which dropped by $18.5 million from FY 2021 to FY 2022. We calculate the related decline in Moody's adjusted net pension liability at $63.3 million, to $55.9 million in FY 2022 from $119.3 million in FY 2021. As the rate on the index used by Moody's in its adjustment calculation moved higher in the past year, we estimate the College's adjusted liability declined by an estimated $8.4 million in FY 2023. The decline in the pension burden further eases the concerns regarding the increased debt represented by the planned transaction.

In our opinion there are several areas of concern the College should address in its rating materials for the agency. First is the need and purpose of the proposed dormitory. The College currently owns and operates a 106-bed on campus dorm it supplements with a 224 bed off-campus apartment facility for which it pays the owner an upfront fee for access and is responsible for placing students and collecting housing fees. The current arrangement demonstrates a need for student housing at the College, largely due to its rather large service area. The new facility will replace the off-campus apartment facility, which becomes a potential source of competition to meet student hosing needs. The College should be prepared with historical data regarding demand for student housing including occupancy rates for both existing facilities, competition for students from nearby off-campus housing, and any policies and procedures the College maintains to create demand for its facilities such a requirement for students to live in on-campus facilities for a period of time.

The second factor the College should address is its ability to meet its debt and other long-term obligations. The planned borrowing doubles the College's outstanding debt, although a nearly equal amount of outstanding principal, approximately $14.7 million, is scheduled for repayment within the next 5 years which offsets the increase to a degree. Also, while debt service will increase with the new borrowing, the cost is offset by the elimination of the fee to access the apartment complex resulting in a smaller net increase in overall expenses for the College.

In relation to the new borrowing, Moody's will want to understand the plans to mitigate construction risk associated with the project, whether that be the presence of a significant contingency, bidding the project only after the project reaches the 80% (or higher) design level, or the presence of a guaranteed maximum contract. The agency will also want to understand how any cost increases or construction delays will be handled and how they may affect the cash flow of the College.

A third concern is the continued decline in enrollment, with 2021 headcount down to a total of 3,789 students comprised of 1,778 full-time and 2,011 part-time students, compared to a recent peak of 5,144 students enrolled in 2016. The recent decline reflects both the lingering effects of the pandemic as well as strong economic environment which tends to draw would-be students into the full-time workforce, depressing demand for community college services. The College should highlight its actions to meet the educational needs of potential students and drive demand including the use of federal covid stimulus funds to strengthen its on-line offerings as well as the opening of the Olen Howard Workforce Innovation Center which doubled its capacity to delivery workforce education and training in precision machining and welding and the renovation of the Fielding Technical Center to expand offerings in industrial electrical maintenance, climate and environmental control technologies, and other emerging career opportunities.

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F. Marketing Plan

Describe in detail your proposed marketing plan for the transaction. At a minimum, your marketing plan should address the following issues:

1. **Describe the likely investor base for the Certificates/Bonds and the steps that need to be taken to interest those buyers in the transaction.**
2. **Describe any marketing challenges related to the sale execution of the transaction.**
3. **Describe proposed couponing strategies (par vs. discount vs. premium) and their impact on the marketability of the transaction and the cost to the College.**
4. **What value, if any, would bond insurance provide to the Certificates/Bonds? Would the proposed takedown included as Attachment I to this Request change if the Certificates/Bonds were insured? If so, please specify any change as part of your response.**

1. Likely Investor Base

For the College's financing, we believe that the likely buyer base will be primarily mutual funds and professional retail, with the possibility of SMA buyers if they approve the credit. A strong marketing program will offer the best opportunity to engage these investors.

Initial marketing for State Fair Community College's issue will cover all investor segments (institutional and retail). As the sale date approaches we will evaluate market and economic conditions, including the schedule of major economic announcements and competing bond sales, as well as evaluate pricing trends, including couponing, and structural preferences investors. Piper Sandler offers State Fair Community College one of the nation's largest institutional sales forces covering over 12,000 institutional investors, including smaller tier 2 and tier 3 investors, that are not given the same attention by other firms in the industry but are critical to broaden the investor base and stimulate price competition among anchor investors.

We begin reaching out to potential investors four to six weeks prior to pricing, alerting them to the upcoming transaction and any relevant information for their investment process. Throughout the marketing period we maintain consistent communication with any co-managers to ensure their ideas are represented. We believe this process is particularly important for the College considering the widening credit spreads experienced nationwide as interest rates increased over the course of the year.

The importance of the Preliminary Official Statement (POS) in illuminating the College's credit strengths cannot be overstated as it is the key document used by the rating agency (Moody's) and investors to evaluate the College's overall credit quality. All information provided to investors as well as salespeople, in the form of investor road shows or transaction summaries of any kind, is legally required to be traced in some way to this document.

In assisting the financing team development the POS we will focus on and suggest incorporation of appropriate data to address recent changes by Moody's to its higher education criteria, which became effective in 2021. We believe it important to make sure updated information relative to the changes and important to Moody's, including items that bolster the College's credit position, are described or referenced in some manner in the POS, including:

- **Security** - A description of the security provisions backing the repayment of the proposed Certificates or Bonds, including descriptions of the property and its uses to the College, and the College's financial and competitive picture as a whole
- **Project** - A thorough description of the new dormitory, including a description of the rationale and demand for the building, and its ability to lure students to campus as compared to off campus alternatives. If a full demand and feasibility study exists, the College should consider including it within the offering document. If a full feasibility study is not available, presenting the information provided by Scion Advisory Services should be considered.

Posting POS and Investor Presentation. We recommend releasing the Preliminary Official Statement and Investor Presentation at least seven to ten days ahead of sale. Since the POS is the primary source of information it is the College's interest that these documents be available to investors well before the scheduled offering. The reason for posting an Investor Presentation on a transaction such as this one is that it will summarize key information about the security, State Fair Community College, and facilitate investors' and salespeople's understanding of the transaction credit.

Targeted Institutional Investors

After posting the preliminary official statement and accompanying investor presentation, at least seven days prior to the sale, we would focus our marketing on different institutional investor groups. Extra focus will be on those investors that own existing Baa and/or BBB category Missouri COPs and Special Obligation Bonds, followed by investors that are top holders of similarly rated higher education bonds nationally and top holders of all similarly rated bonds nationally.

The accompanying tables show the largest investors that fall into these categories, as reported by Bloomberg.

Nationwide Tax-Exempt Bonds 'BBB' Rating Cateogy		Nationwide Tax-Exempt COPs 'BBB' Rating Category		Nationwide Student Housing Bonds 'BBB' Rating Category		Missouri Tax-Exempt Bonds 'BBB' Rating Category	
Investor	Holdings (000s)	Investor	Holdings (000s)	Investor	Holdings (000s)	Investor	Holdings (000s)
CAPITAL GROUP	81,099,266	FRANKLIN RESOURCES	58,080	CAPITAL GROUP	202,960	FRANKLIN RESOURCES	72,270
VANGUARD GROUP	18,014,636	FIDELTIY	36,650	T ROWE PRICE GROUP	138,850	TIAA-CREF (NUVEEN)	57,250
TIAA-CREF (NUVEEN)	12,171,113	VANGUARD GROUP	35,808	VANGUARD GROUP	124,205	PUTNAM INVESTMENTS	44,460
FIDELTIY	8,440,221	WELLS FARGO	23,585	NEW YORK LIFE GRP	66,090	VANGUARD GROUP	37,195
FRANKLIN RESOURCES	7,142,866	AMERICAN CENTURY	16,775	ALLIANCEBERNSTEIN	60,755	FIDELTIY	26,270
INVESCO LTD	6,768,099	TIAA-CREF (NUVEEN)	16,674	GOLDMAN SACHS	60,025	GOLDMAN SACHS	19,820
BLACKROCK	6,058,156	GOLDMAN SACHS	11,520	FRANKLIN RESOURCES	49,780	VICTORY CAPITAL MGNT	18,445
GOLDMAN SACHS	4,910,980	MASSACHUSETTS FIN	10,955	LORD ABBETT & CO	39,230	T ROWE PRICE GROUP	15,805
ALLIANCEBERNSTEIN	4,827,389	ALLIANZ	8,750	EATON VANCE CORP	31,660	MASSACHUSETTS FIN	13,590
LORD ABBETT & CO	3,691,409	VICTORY CAPITAL MGNT	6,900	BETASHARES CAPITAL	31,640	SEI INVESTMENTS CO	11,995
NEW YORK LIFE GRP	3,226,669	INVESCO LTD	6,890	MASSACHUSETTS FIN	31,170	CAPITAL GROUP	10,585
MASSACHUSETTS FIN	2,900,893	AMERIPRISE FIN GRP	6,135	FIDELTIY	26,585	ALLIANCEBERNSTEIN	10,110
T ROWE PRICE GROUP	2,847,349	CAPITAL GROUP	5,435	TIAA-CREF (NUVEEN)	22,375	BANK OF NY MELLON	9,340
WELLS FARGO	1,834,378	BETASHARES CAPITAL	4,965	AMERICAN CENTURY	18,985	BAIRD	8,435
JPMORGAN CHASE & CO	1,802,926	ALLIANCEBERNSTEIN LP	4,895	PRINCIPAL FINANCIAL	15,600	AMERICAN CENTURY	7,515
ALLIANZ	1,789,269	CIFC ASSET MGNT	4,620	LEGG MASON	15,335	COMMERCE BANK N A	7,150
VICTORY CAPITAL MGNT	1,763,685	DEUTSCHE BANK AG	4,570	VICTORY CAPITAL MGNT	14,630	BETASHARES CAPITAL	6,850
LEGG MASON	1,614,370	BAIRD	4,566	PUTNAM INVESTMENTS	14,420	INVESCO LTD	6,195
BANK OF NY MELLON	1,591,633	PUTNAM INVESTMENTS	4,320	AMERIPRISE FIN GRP	14,300	WELLS FARGO	5,755
AMERIPRISE FIN GRP	1,453,028	SIT INVESTMENT	3,295	OLIVE STREET	13,750	NEW YORK LIFE GRP	4,350
EATON VANCE CORP	1,379,220	M & T BANK	2,343	BLACKROCK	11,960	OLIVE STREET	4,070
FEDERATED HERMES	1,374,773	CENTERBRIDGE	2,305	INVESCO LTD	11,950	JPMORGAN CHASE & CO	3,970
MACQUARIE GROUP	1,336,555	COMMERCE BANK N A	2,300	DEUTSCHE BANK AG	10,575	LEGG MASON	3,760
OLIVE STREET	1,259,152	CINCINNATI FINANCIAL	2,005	NORTHERN TRUST	9,605	ALLIANZ	3,730
BETASHARES CAPITAL	1,066,652	MACQUARIE GROUP	2,000	BANK OF NY MELLON	9,285	EATON VANCE CORP	3,300

PIPER SANDLER HAS THE SALESFORCE AND CAPABILITY TO REACH THE LIKELY INVESTOR BASE

Piper Sandler has one of the nation's largest, 147 member sales forces with 13 fixed rate underwriters, all of whom, together with public finance, are supported by a dedicated credit and market analytics team. Our sales force is located in 26 offices across the U.S. (including Chicago, St. Louis and metro Kansas City), enabling us to develop deep relationships with both national Tier 1 and regional Tier 2 and 3 accounts.

Large Institution Distribution. Of our salesforce, 17 individuals focus exclusively on placing municipal bonds with the top 250 Tier I institutional municipal investors, the largest most recognizable firms that manage multi-billions of dollars in assets. These Tier 1 investors include those shown in the bondholder tables above. While we recognize the key role of Tier 1 investors for anchor orders, we believe it important to stimulate demand from the more than 3,000 Tier 2 and Tier 3 investors we cover to broaden demand and stimulate price competition. Our sales team focuses on relationships with such investors (5,466 nationwide), including smaller insurance companies, corporations, community banks, and money management firms serving individual investors.

Professional Retail Distribution. The retail investor remains a very active participant and important segment of the municipal market, which are represented today by bank/trust portfolios, professional money managers and registered investment advisors – all of whom manage funds on behalf of retail investors. This investor base, often referred to as "professional retail" is the largest portion of the retail market place and a key component of Piper Sandler's Tier 1, Tier 2 and Tier 3 coverage described above, with number of accounts nationally as well as in Missouri.

PSC Covered Accounts		
Type of Account	U.S.	Missouri
Bank	1,833	74
Asset Manager	1,048	25
Registered Investment Advisor	805	24
Public Entity	585	5
Insurance	271	9
Retail	269	20
Trust Department	181	9
Corporation	160	2
Credit Union	121	1
Broker Dealer	84	5
Non-Profit	71	-
REIT / Real Estate	27	-
Mortgage/Asset Originator	20	1
Family Office	18	-
Pension Fund / Endowment	5	-
Total	**5,498**	**175**

Direct Retail Distribution. Notwithstanding the dominance of professional retail, Piper recognizes the added value of being able to sell directly to individuals. For this reason, we maintains a retail redistribution agreement with **Charles Schwab & Co.**, the largest retail firm in the U.S. with over 32.5 million active brokerage accounts and $7.8 trillion in client assets. Charles Schwab has Missouri branch locations in Clayton, Kansas City, O'Fallon, and St. Louis (2 branches), and a Kansas branch in Leawood that is less than 3 miles from the Missouri border. The College's offering will also be posted on the Charles Schwab new issue calendar, which is available to investors nationwide..

2. Marketing Challenges

The challenges to marketing the College's financing fall into three categories.

- **Size –** The project's $15 million size, and relatively small amount of bonds per maturity will need to be managed in the sale process as every bond issue put into the market must compete for investors' time and attention. Investors, especially large mutual funds, look at many bond offerings in both the primary and secondary market every day, and may not put in the effort to analyze a credit if they do not believe they will get allocated sufficient bonds to reward their time spent. Additionally, all else equal mutual funds prefer bonds that have large maturity amounts because they have better future liquidity if the fund has to sell the bond in the future to meet fund redemptions (or for any other reason).

  To help mitigate the size challenge, we recommend giving careful consideration to the investor presentation, which can assist investors to streamline their analysis on the College's credit, and releasing both the Preliminary Official Statement and Investor Presentation as early as possible before the planned bond sale date to allow investors plenty of time to perform their diligence.

  Additionally, we propose, in the case of COP sale, combining the 2039-2043 maturities into a single term bond with final maturity of 2043, and the 2044-2048 maturities into a single term bond with final maturity of 2048. These term bonds will be more attractive to purchasers due to their large block size than annual serial bonds in those same maturities. We also propose couponing the term bonds as discount bonds, which are more attractive to retail purchasers, both directly and through dealer orders, and total return buyers.

- **Term –** Compared to the market environment in 2020 and 2021, investor demand for bonds maturing beyond 20 years is much narrower today. This is in large part due to outflows from mutual funds over the past year and a half, which are generally the largest buyers of long-term bonds. Insurance companies, which are another potential buyer of principally high grade long-term securities, likely will not be interested in the College's offering due to the rating level and security features.

  To help mitigate the Term challenge, we recommend entering the market with couponing flexibility, to customize the couponing structure to the investor demand we receive. We have structured our preliminary interest rate scale with a discount structure from year 16-on, which could be attractive to some mutual funds, and to retail investors both directly and through dealer orders. We recommend remaining flexible, however, and to consider adding premium bonds and/or deeper discount bonds in certain maturities should we receive reverse inquiry for such structures.

- **Credit –** Like many community colleges, Moody's recalibration of higher education credits hurt the College, knocking its COP rating from A3 to Baa1. Additionally, whether the College chooses to issue Certificates of Participation or Student Housing Revenue Bonds, there will be investors that turn down the credit based on the credit type – turning down COPs due to the annual appropriation nature of the securities, and turning down Student Housing Revenue Bonds due to the very narrow pledge of a small dormitory system.

  While the appropriation of all available revenue and leasehold interest is the strongest and most solid underlying security, bond insurance can expand investor interest and lower borrowing cost and therefore i worth strong consideration. We think insurability of the financing is augmented by issuing Additional COPs to the 2017 Indenture as described previously. We have provided both insured and uninsured interest rate scales in Section G below, which indicate our current expectations for how much lower yields could be with bond insurance.

3. Proposed Couponing, Impact on Marketability

For Certificates of participation, we propose marketing 5% coupons at a premium for the first 13-15 years of the financing. We propose terming the 2039-2043 maturities into a term bond with final maturity in 2043 with a 5% coupon at a slight discount, and terming the 2044-2048 maturities into a term bond with final maturity in 2048 with a 5.25% coupon at a slight discount. For Revenue Bonds, and assuming a Baa3 rating, we propose a structure with fewer serial bonds and more premium bonds, as shown in the scales under Section G.

We believe this variety of premium and discount bonds will be attractive to the widest variety of purchasers, lowering the cost of capital.

4. Bond Insurance

We believe that bond insurance could lower yields by 0.05% - 0.20% per maturity, lower on the front end of the amortization and higher on the long end of the amortization, as shown in our scales herein.

We recommend receiving quotes from both major bond insurers, Assured Guaranty and Build America Mutual. If COPs are utilized as the financing vehicle, **it is important to note that it is very unlikely that either insurer will insure the Certificates unless there is leasehold collateral in place during construction beyond the real estate upon which the new dormitory will sit**. As mentioned, we propose solving this problem by issuing the Certificates as Additional Certificates under the 2017 Indenture, which would wrap the Science and Allied Health Center and the Charles E. Yeater Learning Center into the leasehold collateral package from the closing of the 2023 Certificates until the 2017 COP financing pays off in 2027.

We sent preliminary financing information to both of the bond insurers, and Assured Guaranty came back with an estimated insurance premium of 0.80%-1.00% of debt service for COPs. At 1.00%, bond insurance is approximately breakeven (ie, the cost of the bond insurance is covered by the improvement in bond yields); however, with the rating level of the Certificates, it may be prudent to pursue bond insurance even if it is only breakeven due to the potential to draw more investors into the financing and drive yields lower than currently expected.

Finally, as noted earlier, Assured Guaranty, and possibly Build America Mutual, require COP financings to include a debt service reserve fund funded to the federal three prong test (in this case 100% of maximum annual debt service). The reserve can be funded in cash through bond proceeds, or as a Surety policy purchased from the insurer. Assured Guaranty has provided an expected fee range of 3%-3.5% of the Debt Service Reserve Requirement to provide a Surety policy.

G. Proposed Scale

Provide your firm's best estimate of the actual spreads to the MMD 'AAA' index by maturity that would apply to the transaction in today's market environment. Assume the terms outlined in the prior sections and a 10-year par call. Please provide a scale for both Certificates of Participation and Revenue Bonds. Include a proposed coupon structure in your response. Please discuss the pricing impact of a 10-year par call versus a shorter call provision. Are there particular strategies that you would recommend related to the structuring of the redemption feature(s)? The College will use this information compared to the recent comparable transactions in the market to assess the competitiveness and reasonableness of the respondent's scale. Explain influencing factors that could alter the proposed spreads.

See on the following page our estimated pricing scales as of the market of the afternoon of August 30, 2023, using the assumptions outlined in the question above.

We believe that the financing could be marketed with a shorter call feature, with a call date sometime in years 7-9 instead of year 10. This would result in a modestly higher True Interest Cost due to the higher yield-to-maturities of the callable premium bonds, but we don't believe that the spreads to MMD would move much if at all.

Given all of the financing challenges (rating, higher education industry, security features leading to rating level), we recommend marketing the bonds with the market-standard 10 year par call feature, as using a shorter call feature would give potential investors one more potential reason to choose not to buy bonds. That said, if the College and Columbia Capital strongly desire the slightly increased flexibility of a shorter call feature, we would work with the team to structure the financing with a call feature in year 7, year 8, or year 9.

(The remainder of this page is intentionally left blank.)

		Baa1 Rated Certificates of Participation					Baa1 Rated Certificates of Participation, with Insurance Wrap				
Maturity	MMD	Coupon	Yield	Spread	YTM	YTM Spread	Coupon	Yield	Spread	YTM	YTM Spread
12/15/2025	3.11	5.00	4.11	1.00			5.00	4.06	0.95		
12/15/2026	2.99	5.00	3.99	1.00			5.00	3.94	0.95		
12/15/2027	2.90	5.00	3.90	1.00			5.00	3.85	0.95		
12/15/2028	2.88	5.00	3.95	1.07			5.00	3.88	1.00		
12/15/2029	2.88	5.00	4.00	1.12			5.00	3.90	1.02		
12/15/2030	2.88	5.00	4.03	1.15			5.00	3.93	1.05		
12/15/2031	2.89	5.00	4.06	1.17			5.00	3.96	1.07		
12/15/2032	2.91	5.00	4.11	1.20			5.00	4.02	1.11		
12/15/2033	2.95	5.00	4.20	1.25			5.00	4.10	1.15		
12/15/2034	3.02	5.00	4.27	1.25	4.32	1.30	5.00	4.17	1.15	4.23	1.21
12/15/2035	3.11	5.00	4.36	1.25	4.44	1.33	5.00	4.26	1.15	4.36	1.25
12/15/2036	3.22	5.00	4.47	1.25	4.56	1.34	5.00	4.37	1.15	4.48	1.26
12/15/2037	3.32	4.50	4.62	1.30			5.00	4.52	1.20	4.63	1.31
12/15/2038	3.42	4.75	4.77	1.35			5.00	4.67	1.25	4.75	1.33
12/15/2039	3.46										
12/15/2040	3.50										
12/15/2041	3.55										
12/15/2042	3.61										
12/15/2043	3.65	5.00	5.07	1.42			4.75	4.87	1.22		
12/15/2044	3.68										
12/15/2045	3.72										
12/15/2046	3.76										
12/15/2047	3.79										
12/15/2048	3.82	5.25	5.27	1.45			5.00	5.07	1.25		

		Baa3 Rated Revenue Bonds					Baa3 Rated Revenue Bonds, with Insurance Wrap				
Maturity	MMD	Coupon	Yield	Spread	YTM	YTM Spread	Coupon	Yield	Spread	YTM	YTM Spread
12/15/2025	3.11	5.00	4.21	1.10			5.00	4.16	1.05		
12/15/2026	2.99	5.00	4.14	1.15			5.00	4.09	1.10		
12/15/2027	2.90	5.00	4.10	1.20			5.00	4.05	1.15		
12/15/2028	2.88	5.00	4.18	1.30			5.00	4.13	1.25		
12/15/2029	2.88	5.00	4.28	1.40			5.00	4.18	1.30		
12/15/2030	2.88	5.00	4.33	1.45			5.00	4.23	1.35		
12/15/2031	2.89	5.00	4.39	1.50			5.00	4.29	1.40		
12/15/2032	2.91	5.00	4.46	1.55			5.00	4.36	1.45		
12/15/2033	2.95	5.00	4.55	1.60			5.00	4.45	1.50		
12/15/2034	3.02										
12/15/2035	3.11										
12/15/2036	3.22										
12/15/2037	3.32										
12/15/2038	3.42	5.50	5.12	1.70	5.22	1.80	5.50	5.02	1.60	5.14	1.72
12/15/2039	3.46										
12/15/2040	3.50										
12/15/2041	3.55										
12/15/2042	3.61										
12/15/2043	3.65										
12/15/2044	3.68										
12/15/2045	3.72										
12/15/2046	3.76										
12/15/2047	3.79										
12/15/2048	3.82										
12/15/2049	3.84										
12/15/2050	3.85										
12/15/2051	3.86										
12/15/2052	3.87										
12/15/2053	3.88	6.00	5.68	1.80	5.83	1.95	6.00	5.53	1.65	5.75	1.87

H. Fee Quotation

Provide a breakdown of your proposed underwriting spread on Attachment I. Please note that the College expects the firm selected to adhere to the quotes provided for underwriting risk, takedown, and management fee.

Attachment 1 is included in Appendix A.

I. Underwriter's Counsel

Please identify at least two firms you propose to use as underwriters' counsel for this transaction. Proposers must verify that the firms listed are willing to provide the requested services for the quoted fee. Payment of underwriters' counsel will be made from the expense component of the underwriting spread.

We have received fee quotes from two firms, both of whom are active in Missouri and have experience serving as underwriter's counsel on Certificate of Participation transactions.

Kutak Rock (Kathy Peters) - $12,500

Fisher Broyles (David Reid) - $15,000

J. Conflicts of Interest

Disclose any relationships, contractual or otherwise, that your firm has with any individual, organization or firm that would present a potential conflict, or appearance thereof, with your role as underwriter.

Conflicts of interest are inherent in the financial services industry in which Piper Sandler participates. Financial services firms frequently act as intermediaries whether as a financial advisor, investment banker or in another capacity, and must manage competing interests in these situations. While conflicts of interest cannot be avoided altogether given the nature of our business, at Piper Sandler we continually strive to manage them as effectively as possible, first by identifying the conflict and then by eliminating it, disclosing it or mitigating it in some other way.

From time to time, we may identify actual or potential conflicts of interest that we believe could benefit from some form of disclosure, including disclosure on our website at PiperSandler.com. See the section entitled "Notices and Policies" for our Conflict of Interest Policy and certain current conflict of interest topics. These disclosures and the discussions of particular issues may be updated, supplemented or modified from time to time, and we reserve the right to change our approach to any particular issue described and/or any related policies or procedures in our discretion and without prior notice.

In addition, we will endeavor to disclose additional future, actual or potential conflicts of interest to you directly or on our public website as they arise.

K. Investigations

Provide a summary of any inquiries, investigations or litigation over the past five years (including those in progress) that concern your firm's (or any employee's) underwriting, investment banking, capital markets or financial advisory activities. Include a description of any inquiries or actions taken against your firm or employees by any court or regulatory authority, including fines, suspensions, censure, etc.

We are proud of our firm's reputation and Piper Sandler has no reason to believe that current and past regulatory matters or litigation will affect in any way our ability to provide any of the services contemplated by this Request for Proposal.

Due to the nature of our business, we are involved in a variety of legal proceedings on an ongoing basis. These proceedings include litigation, arbitration and regulatory proceedings, which may arise from, among other things, transactional activity, regulatory examinations of our businesses and investigations of securities industry practices by governmental agencies and self-regulatory organizations. The securities industry is highly regulated, and the regulatory scrutiny applied to securities firms has increased dramatically in recent years, resulting in a higher number of regulatory investigations and enforcement actions and significantly greater uncertainty regarding the likely outcome of these matters.

Regulatory investigations can result in substantial fines and/or limitations or other restrictions on our business activities, and consequently those investigations potentially could be deemed to have a material impact on our business. Our Form 10-Q and 10-K as filed with the Securities and Exchange Commission requires disclosure of any material legal proceedings, including regulatory proceedings, and we are unable to provide information on any pending or completed investigation not disclosed within our Form 10-Q and 10-K. Any and all completed regulatory investigations that result in a material disciplinary action, including fines, suspensions or other significant undertakings or limitations are also publicly reported to the Financial Industry Regulatory Authority ("FINRA"). For more information, please refer to Piper Sandler's Form BD filed with FINRA. You can request electronic delivery of the relevant sections of a company's Form BD by accessing FINRA's website at finra.org and conducting a FINRA Broker Check.

Appendix A – Attachment 1

ATTACHMENT I

Breakdown of Proposed Underwriting Spread

Please use the following table to provide your firm's proposed takedown by maturity.

	Uninsured Certificates of Participation		Insured Certificates of Participation		Uninsured Revenue Bonds		Insured Revenue Bonds	
Maturity	Tax-Exempt Takedown $/1000		Tax-Exempt Takedown $/1000		Tax-Exempt Takedown $/1000		Tax-Exempt Takedown $/1000	
	Retail	Institutional	Retail	Institutional	Retail	Institutional	Retail	Institutional
2025	5.00	5.00	3.75	3.75	5.00	5.00	5.00	5.00
2026	5.00	5.00	3.75	3.75	5.00	5.00	5.00	5.00
2027	5.00	5.00	3.75	3.75	5.00	5.00	5.00	5.00
2028	5.00	5.00	3.75	3.75	5.00	5.00	5.00	5.00
2029	5.00	5.00	5.00	5.00	6.25	6.25	5.00	5.00
2030	5.00	5.00	5.00	5.00	6.25	6.25	5.00	5.00
2031	5.00	5.00	5.00	5.00	6.25	6.25	5.00	5.00
2032	5.00	5.00	5.00	5.00	6.25	6.25	5.00	5.00
2033	5.00	5.00	5.00	5.00	6.25	6.25	5.00	5.00
2034	5.00	5.00	5.00	5.00	6.25	6.25	6.25	6.25
2035	5.00	5.00	5.00	5.00	6.25	6.25	6.25	6.25
2036	5.00	5.00	5.00	5.00	6.25	6.25	6.25	6.25
2037	5.00	5.00	5.00	5.00	6.25	6.25	6.25	6.25
2038	5.00	5.00	5.00	5.00	6.25	6.25	6.25	6.25
2039	5.00	5.00	5.00	5.00	7.50	7.50	7.50	7.50
2040	5.00	5.00	5.00	5.00	7.50	7.50	7.50	7.50
2041	5.00	5.00	5.00	5.00	7.50	7.50	7.50	7.50
2042	5.00	5.00	5.00	5.00	7.50	7.50	7.50	7.50
2043	5.00	5.00	5.00	5.00	7.50	7.50	7.50	7.50
2044	6.25	6.25	6.25	6.25	7.50	7.50	7.50	7.50
2045	6.25	6.25	6.25	6.25	7.50	7.50	7.50	7.50
2046	6.25	6.25	6.25	6.25	7.50	7.50	7.50	7.50
2047	6.25	6.25	6.25	6.25	7.50	7.50	7.50	7.50
2048	6.25	6.25	6.25	6.25	7.50	7.50	7.50	7.50
2049					7.50	7.50	7.50	7.50
2050					7.50	7.50	7.50	7.50
2051					7.50	7.50	7.50	7.50
2052					7.50	7.50	7.50	7.50
2053					7.50	7.50	7.50	7.50

Please use the following table to provide your firm's proposed management fee and expenses.

	Tax-Exempt $/1,000
Underwriting Expenses*	
Underwriters' Counsel	$0.699301
Overnight Delivery	-
iPreo	$0.0812
Cost of Funds	$.01397
Travel	-
Advertising	-
CUSIP	$0.038322
Other (DTC)	$0.04476
Other (Processing/Wire)	$0.01231
Management Fee	-

Note – DTC fee is a flat $800, Underwriter's Counsel is $12,500, CUSIP is $35 plus $200 for the first CUSIP and $30 for each subsequent CUSIP, Processing/Wire is $200 for processing and the first wire plus $20 for additional wires.

iPreo assumes a sole managed underwriting – if a syndicate is used, the fee increases to $.1018.

Request for Proposals

State Fair Community College

September 1, 2023

STIFEL | Public Finance

STIFEL

September 1, 2023

Columbia Capital Management, LLC
Adam Pope, *Managing Director*
(913) 312-8064 | apope@columbiacapital.com

Re: Request for Proposal for Underwriting Services

Dear Mr. Pope:

Stifel is pleased to present to you our proposal to serve as underwriter for State Fair Community College (the "College"). We are confident that our Missouri and Higher Education Public Finance expertise combined with Stifel's superior distribution capabilities will provide the College with the lowest cost of funds for this upcoming financing. In the current bond market, extensive retail and institutional distribution systems are essential for delivering the lowest cost of funds. With an underwriting desk in St. Louis and the distribution systems highlighted within this response, Stifel is well positioned to achieve this goal for the College. **Stifel served as placement agent on the College's Series 2021 Leasehold Revenue Note and our historical relationship with the College makes Stifel especially qualified and knowledgeable about the College's credit.**

Stifel's key attributes offered to the College for the upcoming financing are outlined below.

HIGHER EDUCATION GROUP: Stifel's Higher Education public finance practice is fully staffed by seasoned bankers and analysts. Stifel's higher education banking team has executed over 131 lead managed or privately placed higher education bond issues in the municipal markets since January 2019, and will bring that knowledge to bear in the proposed engagement as underwriter. **Stifel has a history of completing low-rated credits and the College's financing would be another project that would benefit from the niche that Stifel has embraced and has succeeded to foster by receiving great interest rates by telling the College's story. A number of questions have been included in response to Sections D & E for the College's consideration.**

ST. LOUIS PRESENCE AND COMMITMENT TO MISSOURI: As a St. Louis based firm, Stifel maintains many of its most successful retail brokerage offices in Missouri, which consists of 19 retail brokerage offices in Missouri with 125 investment brokers, managing over 137,000 retail accounts, totaling over $24.1 billion in assets. These brokers will be key to the success of the retail sale of the College's financing. Such local presence will provide the opportunity for Stifel and the College to meet with retail professions during the marketing period to discuss the financing and encourage retail interest at no cost to the College.

LEADING UNDERWRITER: In 2022, Stifel was the nation's leading senior manager by negotiated transaction volume (for the 9th consecutive year) and ranked 6th by par amount. This means that no other firm has talked with investors as frequently or priced as many bonds in all types of market environments, with all manners of credits and structures, which provides us with unmatched knowledge of the market. Stifel continues to be the nation's leading senior manager by negotiated transaction volume in 2023 and is currently ranked 4th by par amount year-to-date. This background will enable us to price the College's financing as aggressively as possible. Such knowledge will also be instrumental in assisting the College with the rating process.

STRONG AND STABLE CAPITAL BASE: Stifel also has the capability not only to maximize the price of our clients' bonds, but we also have a solid history of supporting our clients by taking down unsold bonds. As of June 2023, Stifel maintains excess net capital of over $433 million. Stifel's capital position allows us to underwrite unsold balances of more than $5.7 billion, which we use to successfully complete transactions during times of market uncertainty. Stifel's underwriters routinely allocate the Firm's excess net capital to support client bond issues.

Again, we are pleased to be given this opportunity and believe you will find the depth of our experience, knowledge and commitment to the College, our approach, and the quality of our execution provide the right combination for Stifel to serve the College as its underwriter. Additionally, Martin Ghafoori, the below signatory, is legally authorized to commit the firm to all terms and conditions contained in the RFP. If you should have any further questions or need additional information, please feel free to contact us. We look forward to hearing from you.

Sincerely,

Martin Ghafoori, *Managing Director*
(314) 342-8467 | ghafoorim@stifel.com

State Fair Community College
Requests for Proposals
Underwriting Services

Table of Contents

Firm Information

Firm Name: Stifel, Nicolaus & Company, Incorporated
Address: 501 North Broadway, St. Louis, MO 63102
Telephone: (314) 342-8467
Fax: (314) 342-2179

Overview of Firm

Stifel is a wholly owned subsidiary of Stifel Financial Corp., headquartered in St. Louis, Missouri and is a publicly traded broker-dealer providing securities brokerage, investment banking, research, trading, investment advisory, and related financial services to individual investors, professional money managers, businesses, and municipalities throughout the country. Stifel Financial Corp. shares were publicly listed in 1983 and trade on the NYSE under the ticker symbol "SF."

Stifel was founded in 1890 and has more than 8,000 employees globally with over $3.75 billion in annual revenue. Stifel's growth has been a result of strategic acquisitions and organic expansion. Since 2005, the firm has increased the number of public finance bankers, client assets, and firm revenues over tenfold, and our retail sales professionals and branch offices have more than quadrupled.

Stifel's Growth and Expansion

Acquisitions

2021: Vining Sparks
2019: First Empire Securities; B&F Capital Markets, Inc.; Mooreland Partners; GMP Capital Inc.; George K. Baum & Company; MainFirst
2018: Ziegler Wealth Management; Rand & Associates Wealth Management; The Business Bank of Saint Louis
2015: Sterne Agee; Barclays Wealth and Investment Management, Americas
2014: De La Rosa & Co.; Merchant Capital LLC; Oriel Securities; 1919 Investment Counsel
2017: City Securities Corporation
2016: ISM Capital LLP; Eaton Partners
2013: Keefe, Bruyette & Woods (A Stifel Company); Knight; Acacia Federal Savings Bank; Ziegler Capital Management LLC
2012: Miller Buckfire
2011: Stone & Youngberg

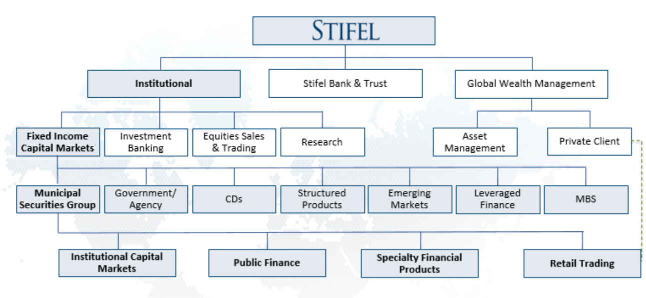
Key Statistics

	2023	2005	Increase
Total Capital	$1.32 bil	$194 mil	6.8x
Annual Revenue	$4.7 bil	$270 mil	17.4x
Global Employees	8,300	1,800	4.6x
Global Fixed Income Traders	120+	10	12.0x
Global Fixed Income Sales	285+	78	3.6x
Client Assets	$343.7 bil	$26 bil	13.2x
Retail Professionals	2,400+	644	3.7x
Retail Offices	382	92	4.1x
Public Finance Bankers	196	19	10.3x

As of March 31, 2023

Municipal Finance

Stifel's Municipal Securities Group has over 350 employees, including its Public Finance Department which serves clients across the nation through 39 offices and seven municipal bond underwriting desks. Stifel's Public Finance Department provides underwriting, private placement and financial advisory services to hundreds of municipal and non-profit clients on an annual basis including securities backed by a wide variety of revenue, security pledges and credit attributes. Stifel's Municipal Securities Group includes one of the largest distribution platforms in the municipal securities industry, and as the most active underwriter of negotiated municipal bonds in the nation, Stifel's calendar is one of the most important sources of new issue securities for investors of all types. Our banking staff have built deep expertise and experience beneficial to many issuers across the country as they seek to accomplish their financing needs.



Stifel's Public Finance department is a core line of business. Unlike many of our competitors who have downsized their Public Finance business or even closed it altogether, Stifel has expanded the scope of its Public Finance practice. Stifel has continued its commitment to municipal finance by adding new offices and expanding current offices across the country even during the most recent volatile market environment. In 2022, Stifel expanded our Conshohocken, PA office and opened public finance offices in Bethel Park, PA and Naples, FL. In 2023, we have expanded our public finance presence in Chicago, Dallas, Denver, Los Angeles, New York, Philadelphia, San Francisco and St. Louis.

Stifel National Lead Managed Negotiated Issue Rankings

Year	Rank (Issues)	Rank (Par)	Issues	Par Amount
2022	1	6	729	16,344,500,000
2021	1	5	1,031	23,693,600,000
2020	1	8	929	18,246,900,000
2019	1	7	803	16,263,400,000
2018	1	9	536	10,197,800,000
2017	1	7	781	18,068,800,000
2016	1	7	801	16,924,300,000

Commitment to Higher Education

Stifel has been providing investment banking services to higher education clients for decades. Our experience is broad-based and includes a vast spectrum of borrowers, from the largest public universities in the nation to modest sized, regional private universities and community colleges. This experience covers the entirety of the credit spectrum, with Stifel having structured and sold securities for the highest rated public and private systems in the sector, as well as borrowers, which have needed to develop creative solutions to fund projects or restructure their balance sheets. Stifel's higher education experience, built through marketing and pricing transactions, allows our team an enhanced understanding of the complexities and financial challenges higher education institutions face in the world today. As evidence of the Firm's commitment to higher education, Stifel has led **131 higher education transactions**, raising approximately **$3.7 billion in capital**.

Stifel views higher education as a critical focus area of public finance, and one that meets the continuous demand of our retail and institutional investor clients' appetite for municipal bonds. Stifel has a team of investment bankers strictly dedicated to the higher education sector. We continuously monitor credit and outlook changes related to the sector and our underwriters communicate with the largest purchasers of higher education bonds on a daily basis. A select group of our recent higher education financings is displayed in the tombstones below.

$14,997,420 Rend Lake College (---/A+ (u) AA (ins)/---) Series 2023AB Sole Manager ***Illinois***	**$80,640,000** University of Health Sciences and Pharmacy in St. Louis (---/BBB-/---) Series 2023A+B Sole Manager ***Missouri***	**$27,025,000** University of Puget Sound (---/A+/---) Series 2023 Sole Manager ***Washington***	**$3,000,000,000** Regents of the University of California (Aa3/AA-/AA-) 2022 Series P+Q Co-Manager ***California***
$29,850,000 Northeast Ohio Medical University (Baa1/AA (ins)/---) Series 2022 Sole Manager ***Ohio***	**$22,500,000** Oklahoma State University (---/AA-/AA-) Series 2022 Lead Manager ***Oklahoma***	**$151,340,000** University of North Dakota (A1/AA (ins)/---) Series 2021A+B Sole Manager ***North Dakota***	**$4,075,000** Mineral Area College (A3/---/---) Series 2021 Sole Manager ***Missouri***

Stifel's expertise with respect to pricing, structuring and credit, along with the Firm's longstanding institutional investor relationships and robust distribution platform, have afforded our group recognition as industry leaders in higher education related municipal finance. As we noted above, the breadth of our experience encompasses each type of higher education provider that accesses capital in the municipal market. Further, Stifel has displayed creativity within the sector deploying innovative financing structures in many higher education transactions facing non-traditional challenges.

Personnel

Stifel's Public Finance department is located within the Municipal Securities group which employs over 350 professionals. Our Public Finance Department is made up of nearly 200 employees located in 39 offices across 23 states. Stifel maintains 7 underwriting desks and 13 underwriters spread throughout the country who are responsible for both negotiated and competitive financings. As the #1 underwriter of negotiated bonds in the country, our underwriters are constantly in the market and are in constant communication with accounts and investors. This is a tremendous resource for the College as our team will be able to assist the College in determining optimal structuring features and market timing.

Stifel Financing Team

Martin Ghafoori will be working closely with a team of professionals to assist in structuring, credit analysis, financial analysis, market timing, pre-marketing, pricing and syndication. **Appendix A** includes detailed resumes of the proposed front-line team. Additional staffing that includes sales, marketing and brokerage professionals will be involved behind the scenes to provide additional support and insight for the College in order to ensure the success of the College's future financings. The Stifel Financing Team is outlined in the table below.

Stifel Financing Team Staffing Overview				
			Years of Experience	
Name and Title	**Location**	**Engagement Role**	**Firm**	**Industry**
Primary Contacts				
Martin Ghafoori, Managing Director	**St. Louis**	**Lead Banker**	**15**	**18**
• Specializes in municipal finance with Missouri Community Colleges, School Districts, Fire Districts, Cities and Special Districts with a particular emphasis on certificates of participation, essential purpose revenue bonds and general obligation bonds as well as numerous utility transactions. Mr. Ghafoori has assisted his clients in all municipal financing needs, including debt modeling, borrowing capacity analysis, debt refunding and restructuring and credit analysis.				
Quantitative Expertise and Banking Support				
Becky Esrock, Director	**St. Louis**	**Transaction Support**	**10**	**10**
• Assists bankers within Stifel's Public Finance group on deal support and the research, marketing and analysis for the structure of municipal bond issues, with a focus on Missouri.				
Nicholas von Raab, Vice President	**St. Louis**	**Quantitative Expertise**	**6**	**6**
• Significant experience in investment of bond proceeds, including debt service reserve funds, refunding escrows, and escrow restructurings.				
Colin Hilpert, Associate	**St. Louis**	**Transaction Support**	**3**	**3**
• Assists bankers within Stifel's Public Finance group on deal support and the research, marketing and analysis for the structure of municipal bond issues, with a focus on Missouri.				
Underwriting and Research				
Trisha Duncan, Director	**St. Louis**	**Underwriter**	**17**	**17**
• Responsible for pricing and syndication of all municipal underwriting activity in Missouri and other parts of the Midwest.				
Betsy Kiehn, Managing Director	**San Francisco**	**Institutional Sales**	**11**	**15**
• Leads the firm's municipal institutional sales, helping introduce new buyers to issuers.				
Ed Poth, Director	**St. Louis**	**Retail Sales**	**38**	**38**
• Leads Stifel's national municipal retail sales, ensuring Stifel's retail brokers are informed in a timely and aggressive manner.				

Structure

Based on discussions with our underwriting desk, Stifel believes that the Certificates of Participation (COPs) structure will provide a more advantageous financing for the College. COPs would be secured by the project revenues, coupled with the revenues of the College as a backstop, which will provide more security for bondholders, compared to a straight project revenue bond structure. The Project may be able to benefit from the College's current COPs rating but most likely will be notched at least a couple of levels from the College's A3 underlying rating for a COPs financing vs. a revenue bond financing which may result in a non-investment grade rating. The COPs will have collateral, being the vacant land where the project will be constructed, as well as the finished building upon completion. The investor pool may still be limited for a COP financing as the number of investors will be a finite group who will be able to get comfortable with a COP structured student housing facility. Note that should assumptions change, our scales and coverage ratios are subject to change based on the new facts and circumstances that may come to light and the required covenants may need to be altered once the financing moves forward. Investor feedback may also alter the provisions that are currently included in Stifel's response.

Coverage Ratios

Stifel proposes a coverage ratio of 1.50x for a COPs financing, which we believe would produce the lowest borrowing cost to the College, based on the current facts available. If the College would like to pursue a revenue bond financing, Stifel would propose a step-up DSC ratio beginning at 1.15x coverage through build-out, then 1.20x until a certain threshold of occupancy has been reached, with the coverage ratio stabilizing at 1.25x once the occupancy of the project has been stabilized. While this ratio is less than the requirement stated above for the COPs financing, due to the estimated rating impact of a revenue bond issue being a multiple notch rating differential from the College's A3 underlying rating, we feel as though the COPs financing would still garner a better result for the College in terms of ultimate borrowing cost.

Debt Service Reserve Fund

Stifel would recommend the inclusion of a fully funded debt service reserve fund for either structure. Given the College's underlying credit, a debt service fund would provide an additional layer of security for investors. There may also be a need to include additional funds, such as a Capitalized Interest Fund and potentially an Operating Reserve Fund.

Timing and Other Considerations

The timing of the transaction would largely depend on the receipt of a feasibility study, completion of architectural drawings, engagement of an experienced student housing developer and general contractor and finalization of the financing structure with an applicable rating. In addition, the College may also need to evaluate the following: What is the timing for design of the facility, which would include the full plans that could be used to bid the project? As mentioned in the College's request for proposals, capitalized interest (Cap-I) will need to be utilized for a portion of the project – the Cap-I will be a requirement for the financing, unless the College has other funds on hand that will be used to pay for the project's interest expense during the construction phase. How long is the lease-up expected to take? What is determined to be the stability point for the project? An 80% to 90% leased student housing building? Is that range accurate? What marketing is going to be utilized to provide details to potential users of the new facility? What rating category will this be rated in once these details have been identified? What is the current occupancy for the apartment complex that is currently being utilized? Is there a wait-list for that facility? Who will be the owner of the new student housing complex? Who will manage the facility? Will there be a third-party management agreement? How will this expense be paid? Again, these are some of the initial questions that we have regarding the project that will need to be addressed in order to proceed to market. We welcome the opportunity to work through these questions and responses with the College and its Municipal Advisor. Our goal is to put together the most secure financing that we can for the College in order to bring the most investors to the table in an effort to drive down the College's borrowing cost. These items can be worked through over the next few months, but the feasibility study will be an item that will need to be completed prior to marketing the project to investors.

Student Housing Experience

Stifel has significant experience with public-private partnership ("P3") financings on projects similar to what is described in the College's request for proposals. From acquisition of land, to equipment improvements, and to construction of new facilities, Stifel is prepared to help finance a wide range of public-private partnership P3 projects, using diverse funding approaches, to further the College's mission and goals.

Specifically, few firms have more experience when it comes to privatized student housing finance. Stifel's Public Finance Group, combined with the firms it has organically acquired over the years, has served as bond underwriter, placement agent or financial advisor for nearly 100 privatized student housing transactions across the nation totaling more than $2.9 billion and over 108,000 beds. Nearly all of privatized student housing transactions that Stifel has been involved in, have been completed with 501(c)(3) ownership and issuance of tax-exempt bonds. Stifel is uniquely positioned to guide a development team through all phases of the structuring, underwriting and marketing of privatized student housing transactions.

Recently, Stifel worked with the Santa Rosa Junior College District in California (the "District") to serve as underwriter to the issuer for the benefit of the tax-exempt owner/borrower. After a rigorous evaluation process, the District opted for a P3 approach, utilizing tax-exempt bond financing equal to 100% of the cost of the Project. Therein, the District selected a complete development team, which consisted of Stifel, to deliver on the Project. The District's strategic objectives of affordable rents, a favorable legacy, control on the student experience, and the preservation of the District's credit rating, were all achieved through a not-for-profit owner/borrower financing structure. By affiliating with a nationally chartered, not-for-profit owner, the District assured that its student life priorities would prevail above financial priorities, had the District funded the Project with an equity partner. The 40 year financing term also meant that ownership of the Project will revert to the District in the shortest amount of time and not obligate future administrations to the long-term burden associated with other P3 delivery methods (equity). Completing the Project with a tax-exempt approach helped deliver the lowest possible funding cost to the Project, which enabled the District to stabilize the rental market for a portion of its students by keeping rental rates affordable, at or below market.

Stifel educated multiple stakeholders on the nuances of the financing approach and offered guidance on the integration of countless transactional components. Stifel priced the Series 2021A&B Bonds in July 2021. Due to extensive premarketing work, including an investor presentation, numerous calls with investors, and fortunate market dynamics on the day of pricing, Stifel received $300.35 million of orders (4.4x oversubscribed). Given the oversubscription, Stifel was able to reprice several maturities, resulting in a lower true interest cost (TIC) for the Project. The lower TIC created greater coverage for the Project, which will allow the District to pass along lower rents to students in the future. Stifel was able to structure the tax-exempt bonds with a 10 year par call feature, preserving future refunding flexibility for the Project. Additionally, Stifel was able to structure an extraordinary call for the 2060 Term Bond, in the case the District were to receive State housing grants from the State of California. By calling the $15mm term early, with State appropriated funds, the Project could save over $412k a year in annual debt service, also allowing for a greater reduction in rents for students. The Project's new money bonds amortize over 40 years, resulting in a blended true interest cost of 3.13%, and were structured to provide generally level aggregate debt service for the Project.

In addition to financings in the P3 student housing space, Stifel's public-private partnership work extends to several other sectors as well. In December of 2022, Stifel served as both underwriter (Series 2022A) and placement agent (Series 2022B-1 and Series 2022B-2) for a $185 million tax-exempt bond financing related to the development of a new build-to-rent residential community known as Los Cielos in partnership with the Brooks Development Authority, located in San Antonio, Texas. Provident Resources Group, a nonprofit organization, serves as the not-for-profit owner of equity interest in the Los Cielos development. The Project is on the site of the former Brooks Air Force Base. The base was closed down during the 2002 wave of base closures and has now been turned into the Brooks Development Authority, with hopes to be redeveloped. Provident Resources Group will operate the property under the auspices of a 60-year lease through a public/private partnership entered into with the Brooks Development Authority. The developments at Brooks is part of a push to incentivize development in the historically disenfranchised area, which is a federally designated opportunity zone. The new community is slated for almost 500 single-family residences and duplexes, and will include a leasing center, fitness center, pickleball court and dog park, among other common amenities.

The lessons learned from the numerous different funding approaches, has primed Stifel to be a seamless partner for the College's mission and goals.

Inflation Reduction Act

Since the Inflation Reduction Act (the "IRA") was signed into law in August of last year, Stifel has worked with clients to provide an overview of the bill and its applicability to public finance. The most advantageous component of the IRA for municipalities, states, and non-profits is a new direct payment subsidy from the US Treasury in an amount equal to 30% of the qualified costs of renewable energy projects, including solar, wind, biogas, combined heat/power (CHP), and geothermal, among others. This component greatly reduces the net capital costs for renewable projects for tax-exempt entities. The IRA incentivizes prompt project commencement with a stair-step reduction in the upfront subsidy after 2024. Since the act was passed, Stifel has assisted clients in identifying projects that are eligible for the tax credits and have assisted them in the application process.

Case Studies

Appendix B includes recent case studies outlining Stifel's experience with student housing projects.

E. RATING STRATEGY

Rating Agencies

Both S&P and Moody's offer rating evaluation services that essentially provide a "peek at the cards" for a specific plan of finance scenario without any published rating. These services do have a cost per scenario evaluated but mitigates the risk of pursuing a plan of finance that results in a published rating that is undesirable. A portion of the fee charged for the evaluation is credited back to the full rating fee if and when the issuer proceeds with the published rating. Stifel has employed this service on several occasions with successful results. The process takes about 2-3 weeks to complete but typically no follow up rating call is required for the published rating after the evaluation process for S&P or Moody's credit committees and the conversion from indicative rating to published rating can normally be completed within 2 days. By taking this approach, the financing team can evaluate the optimal security package (such as debt service coverage requirements and funding of reserve funds) and provide the College needed flexibility.

Moody's updated Higher Education Methodology has a devastating impact on revenue and appropriation debt issued by community colleges in Missouri. Rather than the local governmental team that rates GO backed debt, a revenue or appropriation financing is now rated by Moody's higher education team. As a result, the issuer is given a separate issuer credit rating under the higher education criteria that diverges from the standard issuer credit rating issued by the local governmental team evaluating a GO bond. The difference between these two issuer credit ratings by the two teams for Missouri community colleges has been dramatic, and that is before the application of the standard one notch difference that issuers see for appropriation debt. Two recent examples, outside of the College, involving local community colleges would be Mineral Area College and St. Charles Community College. Mineral Area College maintains an "Aa3, stable" GO rating from Moody's; however, the college's recent 2021 Certificates of Participation, which were rated by Moody's higher education group, received an "A3" rating, three notches below its GO rating. Similarly, St. Charles Community College maintains an "Aa1" GO underlying rating. St. Charles Community College's outstanding certificates of participation were rated "Aa2" when issued, however, the COPs were downgraded to "A2" as a result of the application of the Higher Education Methodology. **As a result, it may be advantageous for the College to speak to S&P and get a first look at where they may rate the College for the potential project and/or have initial discussions with Moody's.**

Stifel does recognize the fact that this housing project may have a deleterious impact on the College's underlying rating and could impact its outstanding rating on its 2017 COPs. The full extent of the impact of the rating will not be realized until the rating conversation has been had with the identified rating agency. As is known in the industry, the rating agencies do not provide advice with respect to structuring considerations or impact to ratings for various credit scenarios. Some initial conversations were held with Moody's, but no information that is actionable was received as a result of those discussions.

F. MARKETING PLAN

MARKETING STRATEGY. Stifel's marketing goal is to sell the certificates or bonds to investors who have the strongest interest in the credit and the greatest buying appetite in the current market. The leveled coverage of Stifel's sales force including Tier I accounts, our Tier II - III relationships along with our retail distribution network and overall geographic reach allows Stifel to market certificates or bonds to the entire spectrum of prospective purchasers. A summary of the common tools Stifel utilizes as part of its marketing repertoire, which will be available to the College, is provided below.

Tools	Description
Investor Website 	• A one-stop shop which provides information on forward calendar, financial documents, ratings, and other investor resources • BondLink platform has recently gained momentum • On-going outreach tool not limited to one deal
Plant the Flag 	• Release POS with sufficient lead time to garner market attention • Additionally beneficial during heavy supply periods
Electronic Roadshow 	• Recorded and released in conjunction with the POS • Condensed summary for investors for follow up Q&A
Identify Potential Targets 	• Use eMAXX/ Bloomberg holders' data to identify current and similar debt holders • Can be tailored on a maturity-by-maturity basis

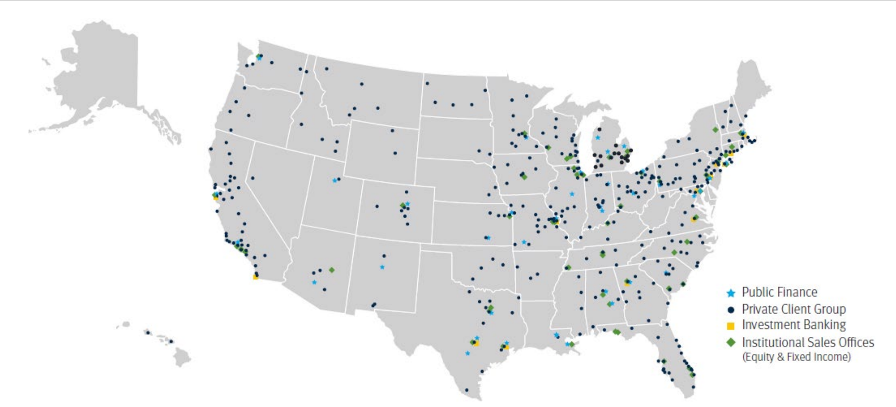
We are confident in our ability to work with the College and its team looking at each of the decision points and variables described above to not only structure a high quality and performing security, but further pull the appropriate marketing levers to generate optimal demand and create maximum competition for the College's certificates or bonds amongst the universe of prospective purchasers. The following items represent in Stifel's view key elements in the structuring and marketing of the bonds to set the College up for best execution at pricing.

- Communicate with the municipal advisor and College team to fully understand ALL financing objectives
- Optimize Structuring based on market dynamics (e.g. rate levels, bond fund inflows/outflows, coverage, etc.)
- Concise and transparent disclosure documentation

INVESTOR EXPANSION AND TARGETING. Stifel takes a comprehensive approach to investor identification, education and outreach. As a result of increased investor credit diligence and in-house credit analyses in recent years, buyers of municipal bonds are looking at more than a Borrower's credit ratings and reports as they make investment decisions. Accordingly, informing investors is a crucial component of any financing's marketing strategy. Stifel recognizes the importance of presenting the credit to investors as clearly and succinctly as possible, emphasizing the financings differentiating features and highlighting key credit strengths.

DISTRIBUTION OVERVIEW. Stifel has a broad distribution network with an integrated municipal syndicate, institutional sales, and trading platform housed within our Municipal Securities Group. We have completed bond sales in both, strong and weak markets, and have routinely committed capital to takedown unsold balances. In the graphic on the following page, we detail the number of salespeople in our institutional group as well as our Private Client Group which is made up of retail offices throughout the country. Story bonds have become Stifel's niche market, and this is evident in the higher education segment of the bond market, too.

Stifel Public Finance and National Distribution Overview



Public Finance Investment Banking:
- 39 Offices
- 200+ Professionals
- 23 States

Institutional Sales & Trading:
- 7 Underwriting Desks
- 13 Municipal Underwriters
- 20 Muni Sales Professionals
- 9 Muni Traders

Private Client Group:
- 382 Offices
- 2,400+ Professionals
- $344 Billion AUM
- 1.92 Million Accounts

INSTITUTIONAL DISTRIBUTION CAPABILITIES. Stifel clients benefit from one of the largest institutional sales forces in the securities industry. Our robust institutional team includes over **285 global fixed income salespeople**, with **20 exclusively dedicated to municipal securities**, and over **120 traders** to ensure coverage of major national institutional accounts, as well as smaller local and regional institutional investors including money managers, banks, and insurance companies. Stifel's institutional sales force is comparable in size or larger than the conventional New York wire houses. The institutional fixed income sales group maintains active relationships with over **8,500 accounts.** An important distinction from our competitors is the regional locations of our institutional investment brokers. Stifel maintains institutional sales offices in both national and regional financial centers across the country, including: Boston, Chicago, Denver, Florham Park, Memphis, Minneapolis, New York City, Philadelphia/Conshohocken, Pittsburgh, Phoenix, Richmond, San Antonio, San Francisco, and St. Louis, Missouri.

Stifel's fundamental goal with regard to institutional investor targeting is to introduce and broaden the College's base of investors in order to create strong competition for the certificates or bonds. We believe we can achieve this goal by focusing marketing efforts on accounts that are top ten largest holders of 1) Higher Education issues nationwide 2) Missouri issues 3) Missouri Higher Education issues and 4) State Fair College's issues. There are currently no reported holders for State Fair's outstanding debt on Bloomberg. The top 10 reported holders for the following categories are presented below – Largest U.S. Higher Education Bondholders, Largest MO Bondholders and Largest MO Higher Education Bondholders – with bold investors being a prospective investor target that is present in each category. Stifel would then build off this investor base by targeting the most recent investors in comparable sales to the College's financing at the time of sale.

Top 10 Largest U.S. Higher Education Bondholders	Top 10 Largest Missouri Bondholders	Top 10 Largest Missouri Higher Education Bondholders
1. Vanguard	1. Vanguard	**1. TIAA-CREF (Nuveen)**
2. BlackRock	**2. TIAA-CREF (Nuveen)**	**2. Blackrock**
3. Northern Trust	**3. Blackrock**	3. Blackstone Group
4. FMR	**4. Franklin Resources**	4. MetLife
5. TIAA-CREF (Nuveen)	5. Northern Trust	5. Prudential
6. Franklin Resources	6. Travelers	6. Manulife
7. JP Morgan Chase	7. Invesco	7. TPG Real Estate Advisors
8. Goldman Sachs	8. JP Morgan	8. Principal Financial
9. Travelers Companies	9. FMR	9. Sixth Street Advisers
10. Invesco	10. Goldman Sachs	**10. Franklin Resources**

RETAIL INVESTOR BASE. Stifel will deploy our strong national retail distribution network, including over **2,400 investment advisors** in **382 offices** throughout the country, representing **$343.7 billion in client assets.** This network is comprised of true in-house retail accounts and we do not use distribution agreements to reach this market segment. Stifel maintains **20 retail offices in Missouri.** These offices manage over **137,000 accounts** and approximately **$24.2 billion in assets.** Stifel's national and Missouri retail presence denotes a natural source of demand for the College's financings. Since these investors are less price sensitive compared to institutional buyers, attracting a wide audience of retail investors will help lower the cost of borrowing for the College, especially in a rising interest rate environment.

Stifel's Missouri Private Client Group Presence

Location	Brokers	Accounts	Municipal AUM	Total AUM
California	1	1,729	$ 13,260,313	$ 347,865,462
Cape Girardeau	1	1,653	16,744,230	138,323,616
Chesterfield	12	8,770	103,609,831	1,444,678,483
Chillicothe	1	1,847	1,817,845	287,179,653
Clayton (2)	26	38,185	316,003,369	5,640,482,322
Columbia	4	10,740	52,708,909	1,208,284,621
Festus	5	3,654	7,718,028	471,611,331
Frontenac (2)	33	26,415	238,544,199	5,978,576,113
Jefferson City	2	2,422	17,530,049	324,381,656
Joplin	2	2,617	9,374,338	325,287,876
Kansas City	13	8,788	111,016,177	1,768,940,464
O'Fallon	7	10,961	15,857,428	1,135,357,994
Rolla	3	3,699	51,393,934	347,542,512
Springfield	6	4,829	76,069,311	960,343,063
St. Joseph	6	7,990	48,828,577	781,921,718
St. Louis (2)	3	3,505	799,918,544	3,036,828,022
Total	**125**	**137,804**	**$ 1,880,395,081**	**$ 24,197,604,909**

Source: Stifel SQL Server Reporting Services. As of August 29, 2023. Does not include Stifel's Lake Ozark office

COUPONING AND MARKETABILITY. Stifel has included scales for a proposed COPs and revenue bond financing in the following section. We believe it is most important to maintain flexibility in structuring the transaction. **Our underwriting desk believes discounts are the preferred structure at this time, but investor preference at the time of pricing could change and a premium structure could be warranted.**

Stifel could structure the financing to include a mixture of premium bonds and discount bonds to bring in a variety of investors from Stifel's broad distribution system that have preferences for various couponing structures, depending on the market's demand at the time of sale. Stifel's access to a broad distribution network, particularly with significant Missouri retail, opens up the College's investor base and enables the College to pursue an alternate couponing structure that is retail focused. Unlike institutional investors that may demand a premium couponing structure, retail investors tend to prefer par or discount structures.

Given the project and security at hand, the College will need to maintain flexibility to be able to accommodate market needs.

BOND INSURANCE. Stifel would encourage the solicitation of a bond insurance quote from AGM and BAM as there is no cost and no obligation to the College prior to the bond sale. Stifel's banking team and underwriting desk would conduct analysis for bond insurance leading up to pre-marketing and pricing of the bond issue and would only utilize insurance if it provided economic benefit to the College. Given the College's current Moody's issuer credit rating of "A3", procuring bond insurance, if available, would likely provide economic value for the financing. Historically, bond insurers have always been more selective when it comes to insuring higher education credits. Insurers are more likely to insure public institutions compared to private, but the College may still face difficulty with receiving bond insurance on the proposed transaction. The insurers often refrain from insuring any transactions that include significant construction risk. However, Stifel would still look to have more conversations with the bond insurers to determine if insurance is feasible for the proposed financing. Initial conversations with both insurance providers were not bearing much fruit, but once the financing is underway, this is an avenue that should be explored in more depth, although the probability of receiving bond insurance is deemed to be rather low. Takedown would be the same with or without insurance.

G. PROPOSED SCALE

Please see below for Stifel's estimated scales for a COPs financing and a revenue bond financing. Stifel will tailor the financing to current market preference at the time of pricing. Stifel has made assumptions regarding the rating of the COPs and Revenues Bonds. Our scales anticipate BBB rating category for the COPs (and assumes the revenues of the College would be appropriated for the repayment of debt service, coupled with the project revenues) and a rating that is below investment grade or a non-rated financing for the Revenue Bonds. This is subject to change and is solely an estimate – the rating agency will ultimately determine the rating for the project. This financing will have a number of items that will need to be addressed, some of which have been identified in response to Sections D & E.

Proposed Scales

Certificates of Participation				
Maturity	Coupon	Yield	August 28th Benchmark	Spread
12/15/2033	**4.50%**	**4.62%**	**2.97%**	**+165**
12/15/2048	**5.50%**	**5.70%**	**3.85%**	**+185**

*Bold denotes Term Bond

Revenue Bonds				
Maturity	Coupon	Yield	August 28th Benchmark	Spread
12/15/2033	**6.00%**	**6.00%**	**2.97%**	**+303**
12/15/2043	**6.50%**	**6.78%**	**3.68%**	**+310**
12/15/2053	**7.00%**	**7.00%**	**3.91%**	**+309**

*Bold denotes Term Bond

The above scales are as of market conditions on August 28, 2023. There is necessary price discovery to be had in connection with the College's financing due to the lack of direct comparables that have taken place in the market recently. Additionally, changes in the overall market including, but not limited to, Fed rate announcements, global and domestic news, economic numbers, municipal bond fund flows, market supply and a variety of other factors could have a significant impact on the above rates. Stifel's chief economist, Lindsey Piegza, provides daily commentary on market moving factors that Stifel could provide to the financing team.

Best Efforts

Based on Stifel's credit analysis, recent higher education experience, and current understanding of investor preferences, we note that community colleges have faced greater difficulty in the public market in the aftermath of the pandemic. Our proposal, therefore, is to serve the College as underwriter on a "best efforts" basis—if selected, we would use our best efforts and solid higher education experience to identify a cross-section of buyers to provide the best possible outcome for the College.

Optional Redemption Provisions

Stifel's interest rates for the proposed financing are based on a 10-year par call. Considering the impact on a future refunding, the same general rule of thumb holds for this transaction as for any other: a shorter call date (i.e., 5-7 year call) will be more expensive than a traditional ten year call, but will provide greater benefit if the financing is ever refunded in the future. Shorter term optional calls combined with higher coupon rates (e.g. 5%) can lead to materially lower price to call spreads, but materially wider yield to maturity kickers. Stifel would propose using a 10-year par call in connection with the proposed financing. We will work with the College as we approach the pricing date, and will rely heavily on advice from our underwriting desk, to determine the optimal call and coupon structure at the time of sale. Pricing tradeoffs of couponing structure and optional call provisions will involve tradeoffs between yields to price, yields to maturity and future optionality. These tradeoffs will be dependent on other issues in the market, aggregate supply, the shape of the yield curve, interest rate outlook, and other unpredictable factors.

H. FEE QUOTATION

Shown below is Stifel's proposed underwriting discount for the financing. This underwriting spread includes the below detailed expenses and assumes an exact par amount of $15,000,000 for the financing.

Stifel would propose an underwriting discount of 2.000% or $20.00 per bond in connection with the financing for either a COPs financing or a Revenue Bond financing. A breakdown of Stifel's fee based on Attachment I in the request for proposals is below. Note that the below takedown and expenses are subject to change and may be impacted by the rating received on the financing; however, our total underwriter's discount will not change from 2.000%.

Maturity	Tax-Exempt Takedown $/1000*	
	Retail	Institutional
All Maturities	$10.00	$10.00

	Tax-Exempt $/1,000
Underwriting Expenses*	
Underwriters' Counsel	$0.667
Overnight Delivery	
iPreo	$0.037
Costs of Funds	
Travel	
Advertising	
CUSIP	$0.040
Other(Specify)	
Continuing Disclosure	$0.050
DTC	$0.053
Management Fee	$9.154
Total Expenses	$10.000

* Preliminary, subject to change.

I. UNDERWRITER'S COUNSEL

Stifel would be acceptable with either of the below firms serving as underwriters' counsel in connection with the College's transaction.

Firm	Contact Person	NTE Fee
Thompson Coburn LLC One US Bank Plaza St. Louis, MO 63101	Ali Rafferty arafferty@thompsoncoburn.com (314) 552-6457	$10,000
FisherBroyles LLP 203 North LaSalle Street, Suite 2100 Chicago, IL 60601	David Reid david.reid@fisherbroyles.com (816) 307-8007	$15,000

J. CONFLICTS OF INTEREST

Stifel has not identified any conflicts of interest.

K. INVESTIGATIONS

Stifel, Nicolaus & Company, Incorporated ("Stifel") is an investment banking and securities firm providing investment services to individuals and institutional clients, investment banking, and related services including the day-to-day purchase and sale of securities. Stifel is a wholly-owned subsidiary of Stifel Financial Corp. (SF). In the normal course of business, at any given time, Stifel is subject to a number of claims and disputes, as well as regulatory matters including examinations, reviews, investigations, or formal actions. All required disclosures of material litigation and regulatory matters are made in Stifel Financial Corp.'s public filings with the SEC and other regulatory authorities, such as its Form 10-K and the most recent Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), 8-K's, and in other regulatory filings, such as Form B/D, as amended. You are further referred to the FINRA website, where you can access Broker Check reports for Stifel, Nicolaus & Company, Incorporated which may be located with the following hyperlink: http://brokercheck.finra.org/Firm/Summary/793. This contains the regulatory reports on Stifel's disciplinary disclosures.

Better Housing Lawsuit. On November 17, 2022, two individuals filed a putative class action lawsuit against Stifel Nicolaus & Company Incorporated ("Stifel") in St. Louis County, Missouri Circuit Court, asserting claims that Stifel was negligent in the underwriting of certain low income housing bond issuances in the Chicago area during the 2016 through 2018 time frame. The lawsuit also alleges that Stifel should be held liable for alleged negligent misrepresentations or omissions in the offering documents relating primarily to the alleged failure to disclose municipal code violations at some of the properties (many of which allegedly occurred after the underwriting of the various issuances had been completed). The plaintiffs allegedly purchased the bonds at issue in the secondary market long after Stifel had completed the underwriting of the issuances. The lawsuit has been remanded to the U.S. District Court of the Eastern District of Missouri, the jurisdiction of which has been affirmed by the Eighth Circuit Court of Appeals. Stifel is currently awaiting the District Court's ruling on our Motion for Judgment on the Pleadings. Stifel believes the lawsuit has no merit and will defend against the claims vigorously.

Glen I Project Lawsuit. A putative class action lawsuit was filed in late 2019 against Stifel, Nicolaus & Company, Incorporated ("Stifel") in Missouri State Court, Case No. 1916-CV29250, by several institutional investors (the "Ivy Fund Lawsuit"). The plaintiffs in the Ivy Fund Lawsuit allege there were inadequate disclosures relating to the sale of municipal bonds they purchased from Stifel, which were issued by the Greene County Development Authority for the construction of a senior housing community in a luxury development in Georgia (known as the Glen I Project). Other bondholders in the same issuance also filed two additional lawsuits against our Company in late 2019 asserting nearly identical allegations and claims: a second Missouri lawsuit, Hoffman et al. v. Stifel, Case No. 1916-CV32491, and one lawsuit in Georgia state court, Principal Street Partners f/k/a Green Square Boston, LLC, d/b/a Green Square Capital Advisors on behalf of Advantage Advisers Tax Exempt High Income Fund I and Advantage Advisers Tax Exempt High Income Fund II v. Stifel, Case No. 2019CV328671. (The Georgia lawsuit has been voluntarily dismissed by the plaintiffs, with prejudice). Stifel believes the outstanding lawsuits have no merit and is vigorously defending against the claims.

Troy Bank Lawsuit Summary. A putative class action lawsuit was filed on or about February 28, 2020 against Stifel in Missouri State Court, Case No. 20SL-CC01077, by Troy Bank and Trust Company, individually and on behalf of a class of those similarly situated relating to a municipal bond issuance in the City of Chicago (the "Ernst" issuance). The plaintiff alleges there were inadequate disclosures relating to the sale of municipal bonds in the Ernst issuance they purchased from Stifel, which were issued by the Illinois Finance Authority to acquire affordable housing units in Chicago. The plaintiff's claims primarily relate to the alleged failure to identify or disclose housing code violations in prior issuances involving the same non-profit, Better Housing Foundation. This case was settled and the claim was dismissed with prejudice.

Karegnondi Water Authority Lawsuit. Stifel was named as a defendant in a United States District Court, Eastern District of Michigan, Southern Division, litigation in connection with the underwriting of bonds to finance the Karegnondi Water Authority ("KWA") pipeline, a new water pipeline intended to serve Flint, Michigan and surrounding areas. The lawsuit was filed against JP Morgan Chase, as senior manager, and Stifel and Wells Fargo, as co-managers, who underwrote the bonds for the KWA in 2014. The complaint alleged novel claims against the underwriter defendants, including conspiracy and professional negligence. On March 29, 2022, the Court granted motion to dismiss and entered judgment dismissing the case with prejudice.

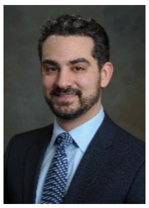
Appendix A

Financing Team Resumes

The resumes for key individuals assigned to the financing team can be found below.

Stifel Financing Team

Martin Ghafoori will be working closely with a team of professionals to assist in structuring, credit analysis, financial analysis, market timing, pre-marketing, pricing and syndication. The College's primary financing team are all located in Stifel's headquarters in downtown St. Louis. Stifel's St. Louis team is in constant communication with the other members of our Missouri and National Public Finance team and such depth of knowledge and experience will benefit the College. This team will be complimented by additional staffing that includes sales, marketing and brokerage professionals who will be involved behind the scenes to provide additional support and insight for the College in order to ensure the success of the College's future financings. The Stifel Financing Team is outlined below.



Martin Ghafoori
Managing Director

501 N. Broadway
St. Louis, MO
(314) 342-8467
ghafoorim@stifel.com

Mr. Ghafoori joined Stifel's Public Finance Department in 2008 after spending nearly three years in Public Finance at another St. Louis investment banking firm. Mr. Ghafoori's investment banking work is primarily focused on community colleges, fire districts, cities, counties, school districts and development financings. Over his career, Mr. Ghafoori has helped to structure and complete hundreds of financings for various issuers. Mr. Ghafoori was the lead banker on the College's 2021 financing and has also worked with Mineral Area College and East Central College. Mr. Ghafoori graduated from St. Louis University's John Cook School of Business with a B.S.B.A. in Finance and he received a Master's degree in Finance from Lindenwood University. Mr. Ghafoori maintains Series 7, 66 and 50 registrations.

Becky Esrock
Director

501 N. Broadway
St. Louis, MO
(314) 342-2923
esrockb@stifel.com

Ms. Esrock joined the Public Finance group at Stifel in January of 2014, following two years of interning in the department. She currently assists the Public Finance group in the research, marketing and analysis for the structure of municipal bond issues. Ms. Esrock has experience working with various Missouri issuers including community colleges, fire districts, cities, counties, school districts and development financings. Ms. Esrock was involved with the College's 2021 financing and has worked with Mineral Area College on recent financings. Ms. Esrock received a Bachelor of Science degree in Economics and International Relations from Lake Forest College in 2013. Ms. Esrock maintains Series 52, 63 and 50 registrations.

Colin Hilpert
Associate

501 N. Broadway
St. Louis, MO
(314) 342-8439
hilpertc@stifel.com

Mr. Hilpert joined Stifel in 2020. He assists the Firm's banking teams in creating issuer profiles, transaction execution, marketing and analysis for municipal bond issues. Mr. Hilpert's experience in municipal finance is primarily focused on community colleges, fire districts, cities, counties, school districts and special districts. Mr. Hilpert graduated from Southern Illinois University Edwardsville with a Bachelor of Science degree in Business Economics and Finance. He maintains Series 52, 63 and 50 registrations.

Nick von Raab
Vice President

501 N. Broadway
St. Louis, MO
(314) 342-4525
vonraabn@stifel.com

Mr. von Raab joined the Public Finance group at Stifel in January of 2016. He currently assists the Public Finance group in the structuring of advanced transactions across the country, with a particular focus on the Midwest. Mr. von Raab has structured hundreds of transactions, including advance refundings, forward refundings, fixed rate transactions and variable rate transactions. Mr. von Raab received a Bachelor of Arts degree in Economics from the University of Virginia in 2013. He maintains Series 52, 63, and 50 registrations.

Trisha Duncan
Director

501 N. Broadway
St. Louis, MO
(314) 342-2740
duncant@stifel.com

Ms. Duncan is a Director on Stifel's St. Louis municipal syndicate desk and assists with underwritings in the Midwest, East Coast and Rocky Mountain Regions. She received a Bachelor of Science in Finance from Oklahoma State University and joined Stifel in 2005 on the secondary municipal trading desk. Ms. Duncan will advise on pre-pricing and pricing views and will assist in coordinating all marketing efforts. She maintains Series 7 and 63 registrations.

Senior Management and Resource Commitment

Peter Czajkowski, Head of Stifel's Municipal Securities Group, will provide senior oversight for all aspects of work for the transaction and ensure full commitment of the firm's resources.

Betsy Kiehn, Head of Municipal Capital Markets, in addition to Ms. Duncan, will provide market feedback to ensure that our negotiations with potential purchasers and/or investors are aggressive and market-based to generate the best execution for the College.

Appendix B

Case Studies

Case Study

SANTA ROSA JUNIOR COLLEGE

Financing Snapshot:
- Public-Private Partnership
- Tax-Exempt Underwriting
- Ground Lease and Coordination Agreement
- Off balance sheet and off credit of the Sponsor

Underwriter:
Stifel, Nicolaus & Company

Developer:
Servitas LLC

Property Manager:
Servitas Management Group, LLC

Stifel Team:

Brad Gysin
Vice President
720.673.3944
gysinb@stifel.com

Public Finance Offices:

Albuquerque, NM
Atlanta, GA
Austin, TX
Baton Rouge, LA
Bellevue, WA
Bethesda, MD
Birmingham, AL
Bloomington, IL
Chicago, IL
Cleveland, OH
Columbia, SC
Columbus, IN
Columbus, OH
Dallas, TX
Denver, CO
Fort Wayne, IN
Grand Rapids, MI
Houston, TX
Indianapolis, IN
Kansas City, MO
Los Angeles, CA
Minneapolis, MN
Montgomery, AL
Naples, FL
New Orleans, LA
New York, NY
Okemos, MI
Philadelphia, PA
Phoenix, AZ
Pittsburgh, PA
St. Louis, MO
Salt Lake City, UT
San Antonio, TX
San Francisco, CA
Southfield, MI
Springfield, MO
Waukesha, WI
Wichita, KS

Case Study: Privatized Student Housing @ Santa Rosa Junior College

Santa Rosa, California

In July 2021, Sonoma County Junior College District, with one of their locations located in Santa Rosa, California took a significant step forward in realizing its strategic goal of providing on-campus student housing when the California School Finance Authority issued its $68,380,000 in College Housing Revenue Bonds to fund the construction of an 352-bed facility through a public-private partnership.

The College and District

Sonoma County Junior College District (the "District") is one of the largest community college districts in the nation, serving local communities in the cities of Santa Rosa, Sonoma, Petaluma, Rohnert Park, Sebastopol, Windsor and Healdsburg, among others, and the unincorporated areas of Sonoma County, Northern Marin County and Southern Mendocino County. The District provides collegiate level instruction across a wide spectrum of subjects for grades 13 and 14 with campuses in Santa Rosa (the "Campus") and Petaluma, as well as other sites. The District has 19,451 funded Full-Time Equivalent Students ("FTES") for fiscal year 2020-21, and typically enrolls more than 32,000 students each year. The District offers 108 Major and degree programs in 24 academic divisions and departments. The District also offers 186 Certificate and degree programs in 19 career technical education (CTE) fields that give students education, technical training and work-based learning experiences. Santa Rosa Junior College is fully accredited by the Accrediting Commission for Community and Junior Colleges (the "ACCJC"). Following many years of analysis, the District determined that building housing on campus would contribute to a positive cultural change and strengthen its community, especially given the lack of housing around the Santa Rosa Junior College (the "Junior College") campus.

Overview of the Financing

After a rigorous evaluation process, the Junior College opted for a public-private partnership ("P3") approach, utilizing tax-exempt bond financing equal to 100% of the cost of the Project. Therein, the Junior College selected a complete development team in December 2019 to deliver on the Project. Certain of the Junior College's strategic objectives achieved through the financing approach included:

Affordable Rents: The tax-exempt approach delivers the lowest possible funding cost to the Project, which enables the Junior College to stabilize the rental market for a portion of its students by keeping rental rates affordable, at or below market.

Favorable Legacy: The 40 year financing term means that the Project will revert to the Junior College in the shortest amount of time and not obligate future administrations to the long-term burden associated with other P3 delivery methods (equity).

Controlling the Student Experience: By affiliating with a nationally chartered, not-for-profit owner, the Junior College is assured that its Student Life priorities will prevail above financial ones, throughout the course of the financing.

Preserving Credit: Through the not-for-profit owner/borrower structure, the District was able to participate – in a calculated manner – in a transaction that is off balance sheet and off credit.

The Role of Stifel, Nicolaus & Company ("Stifel" or the "Firm")

Stifel, Nicolaus & Company served as underwriter to the issuer for the benefit of the tax-exempt owner/borrower.

Financier: Stifel was selected as the underwriter of the bonds for the Project. Over the course of two years, the Firm educated multiple stakeholders on the nuances of the financing approach and offered guidance on the integration of countless transactional components. Stifel also advised on crafting the Ground Lease, Coordination Agreement and the Management Agreement to weave together the support necessary to give the Project the greatest chance for success in the bond market and beyond.

Credit Specialists: Orchestrating the financial security behind the P3 financing was critical to its success. The professionals at Stifel directed not only the transaction elements that prescribe financial security, but also a measured suite of financial supports from the District to obtain a "BB"/Stable rating on the transaction; the only Stable rated student housing project in the nation at the time. The intended strategy was to provide enough support to obtain a "BB" grade rating, but not enough to impact the District's finances. Ultimately, the "BB" rating delivered pivotal debt affordability to the Project, which should allow student rents to be comparable, if not below, market levels in the future.

Bond Sale: Stifel priced the Series 2021A&B Bonds on July 15, 2021. Due to extensive premarketing work, including an investor presentation, numerous calls with investors, and fortunate market dynamics on the day of pricing, Stifel received $300.35 million of orders (4.4x oversubscribed). Given the oversubscription, Stifel was able to reprice several maturities, resulting in a lower true interest cost (TIC) for the Project. The lower TIC created greater coverage for the Project, which will allow the District to pass along lower rents to students in the future. Stifel was able to structure the tax-exempt bonds with a 10 year par call feature, preserving future refunding flexibility for the Project. Additionally, Stifel was able to structure an extraordinary call for the 2060 Term Bond, in the case the District receives State housing grants from the State of California. By calling the $15mm term early, with State appropriated funds, the Project could save over $412k a year in annual debt service, also allowing for a greater reduction in rents for students. The Project's new money bonds amortize over 40 years, resulting in a blended true interest cost of 3.13%, and were structured to provide generally level aggregate debt service for the Project.

For more information, please contact Brad Gysin; or visit us at www.stifelinstitutional.com/capabilities/public-finance/

Case Study: Privatized Student Housing @ Orange Coast College
Costa Mesa, California

In September 2018, Orange Coast College located in Costa Mesa, California took a significant step forward in realizing its strategic goal of providing on-campus student housing when the California Community College Financing Authority issued its $123,405,000 in College Housing Revenue Bonds to fund the construction of an 814-bed facility through a public-private partnership.

Financing Snapshot:
- Public-Private Partnership
- Tax-Exempt Underwriting
- Ground Lease and Coordination Agreement
- Off balance sheet and off credit of the Sponsor

Underwriter:
Stifel, Nicolaus & Company

Developer:
Servitas LLC

Property Manager:
The Scion Group LLC

The College and District

Coast Community College District (the "District") is one of the largest community college districts in the nation, serving approximately 105 square miles in Orange County, California and more than 60,000 students. The District operates three comprehensive community colleges, including Orange Coast College ("OCC" or the "College"). OCC enrolls some 22,000 students and offers more than 135 academic and career programs. The College also ranks first in Orange County and sixth in the State (2017) transferring students to the University of California and California State University Systems.

Following many years of analysis, the College determined that building housing on campus would contribute to a positive cultural change and strengthen its community. As such, the College is playing its part in an evolving delivery model where post-secondary education is made more affordable by two years spent in a quality community college environment.

Overview of the Financing

After a rigorous evaluation process, the College opted for a public-private partnership ("P3") approach, utilizing tax-exempt bond financing equal to 100% of the cost of the Project. Therein, the College selected a complete development team in December 2016 to deliver on the Project. Certain of the College's strategic objectives achieved through the financing approach included:

Affordable Rents: The tax-exempt approach delivers the lowest possible funding cost to the Project, which enables the College to stabilize the rental market for a portion of its students by keeping rental rates affordable, at or below market.

Favorable Legacy: The 35 year financing term means that the Project will revert to the College in the shortest amount of time and not obligate future administrations to the long-term burden associated with other P3 delivery methods (equity).

Controlling the Student Experience: By affiliating with a nationally chartered, not-for-profit owner, the College is assured that its Student Life priorities will prevail above financial ones, throughout the course of the financing.

Preserving Credit: Through the not-for-profit owner/borrower structure, the District was able to participate – in a calculated manner – in a transaction that is off balance sheet and off credit.

The Role of Stifel, Nicolaus & Company ("Stifel" or the "Firm")

Stifel, Nicolaus & Company served as underwriter to the issuer for the benefit of the tax-exempt owner/borrower.

Financier: Stifel was selected as the underwriter of the bonds for the Project. Over the course of two years, the Firm educated multiple stakeholders on the nuances of the financing approach and offered guidance on the integration of countless transactional components. Stifel also advised on crafting the Ground Lease, Coordination Agreement and the Property Management Agreement to weave together the support necessary to give the Project the greatest chance for success in the bond market and beyond.

Credit Specialists: Orchestrating the financial security behind the P3 financing was critical to its success. The professionals at Stifel directed not only the transaction elements that prescribe financial security, but also a measured suite of financial supports from the District to obtain an investment-grade rating on the transaction. The intended strategy was to provide enough support to obtain the investment grade rating, but not enough to impact the District's finances. Stifel threaded the needle not once, but twice in designing the appropriate financial supports. After the College deemed a 'live on' requirement was too burdensome, the lease vacancy provision was tweaked to maintain equivalent financial support. Ultimately, the "BBB-" rating delivered pivotal debt affordability to the Project, which should allow student rents to be comparable, if not below, market levels in the future.

Bond Sale: Stifel excelled greatest in the most important component of any underwriting – the pricing of the bonds. Pre-pricing generated extensive interest among institutional buyers; however, many accounts declined to bid, not due to credit quality, but due to aggressive pricing levels established by Stifel's commitment desk. Perfectly timed, the transaction garnered over $635MM in orders from 36 different accounts and achieved 35-year financing at an All-In Cost of funds of 4.47%.

Stifel Team:

Brad Gysin
Vice President
720.673.3944
gysinb@stifel.com

Public Finance Offices:

Albuquerque, NM	Kansas City, MO
Atlanta, GA	Los Angeles, CA
Austin, TX	Minneapolis, MN
Baton Rouge, LA	Montgomery, AL
Bellevue, WA	Naples, FL
Bethesda, MD	New Orleans, LA
Birmingham, AL	New York, NY
Bloomington, IL	Okemos, MI
Chicago, IL	Philadelphia, PA
Cleveland, OH	Phoenix, AZ
Columbia, SC	Pittsburgh, PA
Columbus, IN	St. Louis, MO
Columbus, OH	Salt Lake City, UT
Dallas, TX	San Antonio, TX
Denver, CO	San Francisco, CA
Fort Wayne, IN	Southfield, MI
Grand Rapids, MI	Springfield, MO
Houston, TX	Waukesha, WI
Indianapolis, IN	Wichita, KS

Case Study

STIFEL

MERRIMACK COLLEGE

MERRIMACK COLLEGE
Massachusetts Development Finance Agency
$33,220,000
Revenue Bonds (Merrimack College Issue) Series 2022 Tax-Exempt | 12/22/2022

Issuer & Project Description

The only Catholic Augustinian College in New England, Merrimack College ("Merrimack" or the "College") is an independent, co-educational institution with 5,505 undergraduate, continuing education and graduate students from 32 states and 37 countries. The College's 220-acre campus is situated approximately 25 miles north of Boston in North Andover and Andover, Massachusetts. Merrimack is a Master's Colleges & Universities, Larger Programs institution in the Carnegie Classification of Institutions of Higher Education.

Over the past decade Merrimack has strategically worked with Stifel's banking team to finance its capital facilities. Through our partnership, the College has been able to access the capital markets for new money projects and refund existing bonds for interest rate savings.

The College's Series 2022 Bonds, allowed the College to borrow for numerous projects on the College's campus, aimed to benefit Merrimack's mission and the continued growth of the institution. Of the $30 million in project proceeds Merrimack borrowed for, the College plans to finance projects consisting of (a) the acquisition, construction, renovation, furnishing and equipping of (i) administrative and academic buildings, including laboratories and including associated relocation costs, (ii) residence halls, (iii) parking facilities, and (iv) athletic and student life facilities, including a field house and athletic field bubble, and (b) other routine capital improvements on the Borrower's campus. The $33.22 million of the Series 2022 Bonds was added to the College's current debt structure, which consisted of about $123 million in long-term indebtedness as of FY 2022.

Financing Challenge/Goal

As Stifel and Merrimack prepared for the issuance of new money debt in late August 2022, public market bonds were experiencing a rising interest rate environment and high volatility,. The College looked to move quickly on issuing its Series 2022 Bonds to ensure the College had access to capital in the future and allow the College to continue its positive momentum. Stifel assisted the College by getting them in a position to price the bonds and take advantage of favorable market conditions and supply and demand dynamics, once the timing was right.

Pricing Results

Stifel was able to price the Bonds on December 15, 2022. Due to Stifel's extensive premarketing work, including investor calls with the College, a comprehensive roadshow, and fortunate market dynamics on the day of pricing, Stifel received $244 million of orders and was able to reprice several maturities lowering the overall yield. Stifel was also able to structure the tax-exempt bonds with a 10 year par call feature, preserving future refunding flexibility for the College. The College's new money bonds amortize in 2023 – 2052, with a mainly back loaded structure, resulting in a true interest cost of 5.09%. The bonds were structured to provide level aggregate debt service for Merrimack through 2052.

S&P: BBB- / Stable | TIC: 5.09% (Tax-Exempt) | 10yr Par Call

Issuer Contact

Jeff Doggett, Executive Vice President & Chief Financial and Operating Officer | doggettj@merrimack.edu | (978) 837-5207

State Fair
Community College

Response to Request for Proposal

Allison Pink
Executive Director, Higher Education and Housing
O: (312) 525-4120 | M: (847) 436-7465
allison.pink@ubs.com

Michele Vobach
Managing Director, Head of Higher Education, Healthcare, and Not-for-Profits
O: (214) 981-0524 | M: (214) 601-4571
michele.vobach@ubs.com

Table of Contents

The cover letter should specify that the signatory is legally authorized to commit the firm to all terms and conditions contained in the RFP.

Adam Pope
Managing Director
Columbia Capital Management
adam.pope@columbiacapital.com

Dear Mr. Pope:

UBS Financial Services Inc. ("UBS" or the "Firm") is pleased to submit our response to the State Fair Community College's (the "College") Request for Proposal to Provide Underwriting Services for the College's upcoming Student Housing Project financing. UBS brings relevant experience with other prominent higher education institutions, extensive distribution capabilities with access to national and Missouri retail investors, a highly experienced banking team, and a robust local presence that we would be pleased to leverage on behalf of the College on its upcoming financings. We acknowledge that the undersigned are legally authorized to commit the firm to all terms and conditions contained in the RFP.

Leading Financial Services Firm Committed to Public Finance. UBS is a leading financial services firm with over 16,000 employees in the United States and more than 104,000 globally. UBS is one of the world's best capitalized and most financially stable institutions among underwriters of municipal bonds, especially following the recent acquisition of Credit Suisse that increased our total invested assets to $5 trillion and results in UBS being a top five global investment bank. UBS has over 100 public finance banking and underwriting professionals in 15 offices across the country. Our dedicated Higher Education and Healthcare team is comprised of six highly experienced professionals located in Chicago, New York, Dallas, and San Francisco.

Strong and Diverse Distribution Capabilities. UBS has strong, longstanding relationships with top tier institutional, middle market and retail investors through our dedicated team of institutional salespeople who cover Tier 1 investors, and an institutional middle market sales team that expands our distribution into Tier 2 and 3 institutional investors not covered by many of our competitors. As the world's largest wealth manager, **UBS has nearly 6,000 financial advisors across the country, including 104 in Missouri who manage over $439.9 million in municipal assets**. Further, our national retail platform currently holds approximately $490.9 million of Missouri issuer bonds.

Experienced Financing Team. The coverage team dedicated to the College is comprised of public finance professionals who have extensive experience working with prominent colleges and universities across the country. The University's engagement will be led by **Allison Pink, Executive Director,** based in Chicago. **Ms. Pink brings 15 of public finance experience to the College that includes financings in the higher education, student housing, and local Missouri municipal sectors across her career. Michele Vobach, Head of Higher Education and Healthcare**, will provide senior oversight on the College's transaction. In recent years, our team has served as an underwriter to numerous higher education institutions, including the University of California, California State University, the University of Texas System, Arizona State University, Benedictine University (IL), California Institute of the Arts, the University of Oklahoma, and the University of Colorado, among others. Our UBS team is excited to leverage our experience and expertise on behalf of the College.

Dedicated Credit Strategies Team. The College will benefit from our dedicated Credit Strategies team, led by Kristin Stephens, Managing Director, which we believe differentiates our firm from others. Ms. Stephens brings more than 21 years of experience in municipal credit analysis to the College and applies a deep knowledge of the high-grade and high-yield sectors to apprise clients of industry trends and developments, provide innovative credit solutions, develop rating agency strategies, and enhance investor outreach. Our Credit Strategies team will be integral to the development of the College's bond structure and resulting rating agency strategy.

Local Presence in Missouri and Commitment to Missouri Issuers. UBS maintains a local presence in Missouri, with over 130 employees located throughout the state in three offices in Kansas City, St. Louis, and Chesterfield. Further, UBS is committed to providing Missouri issuers with comprehensive public finance solutions as evidenced from the firm's underwriting activity and banking coverage for Missouri issuers. Over the past five years, UBS has served as an underwriter on 18 transactions for Missouri issuers totaling $1.2 billion in total par. In addition, UBS is a strong community leader in Missouri through our efforts promoting local entrepreneurs and providing access to college readiness programs to Missouri youth.

We appreciate the opportunity to respond to the College's request, and please let us know if you have any questions regarding the information presented herein.

Sincerely,

Allison Pink Executive Director Higher Education and Housing	Michele Vobach Managing Director Head of Higher Education, Healthcare, and Not-for-Profits

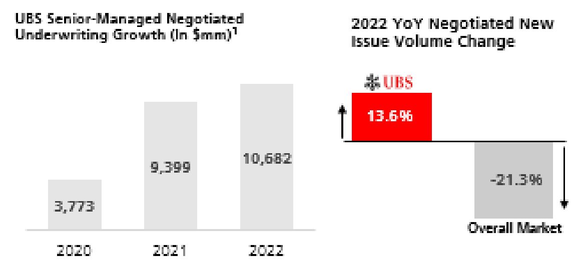
B. Firm Description

Provide the name, address, telephone and facsimile number. Include a brief description of the firm.

UBS Financial Services Inc.
One N. Wacker Drive, 33rd Floor
Chicago, IL 60606
Phone: (312) 525-4120
Fax (877) 818-2921

Firm Overview. Founded in 1862, UBS draws on its 160-year heritage to serve private, institutional, municipal, and corporate clients worldwide. The operational structure of UBS Group AG is comprised of our Corporate Center and four business divisions: Global Wealth Management (public finance), Personal & Corporate Banking, Asset Management, and the Investment Bank. UBS Financial Services Inc. ("UBS FSI"), the firm's underwriting entity, was incorporated in Delaware on June 30, 1969, and is a wholly owned subsidiary of UBS Group AG.

UBS Public Finance Overview. UBS's Municipal Securities Group (which consists of the firm's public finance investment banking, underwriting, sales and trading operations) is a UBS Global Wealth Management business within the firm's Investment Bank division. ***This organizational composition provides a key competitive advantage since it enables UBS to utilize both our robust network of financial advisors and experienced sales and trading desks to provide broad distribution for any UBS underwritten municipal securities***. Steve Genyk, Managing Director and Head of Public Finance, drives the strategic vision of the Public Finance business. UBS's commitment to the public finance market is born out of the Firm's senior management recognizing the strategic need for municipal bond origination to supply municipal bonds to customers as the world's largest wealth manager. Since UBS's strategic re-entry into the negotiated underwriting space in mid-2017, the Firm has experienced significant momentum, opening 15 offices and five municipal bond trading desks across the county and qualifying as a senior managing underwriter in over 115 underwriting pools. This level of investment and commitment ensures that UBS has the tools to provide the best execution for the College's bonds. From 2018 to 2022, UBS has increased its Negotiated Senior Managed municipal bond volume by over 16x, including a 149% increase from 2020 to 2021 and 14% from 2021 to 2022 amidst a year in which volume declined 21%. UBS is on a similar trajectory for 2023, including a recent successful transaction as Joint Bookrunner for the State of California ($2.4 billion GO) and three recent transactions as Joint Bookrunner for the State of Connecticut ($1.0 billion GO), the City of Chicago ($720 million GO) and the City of Chicago ($740 million Sales Tax).



Capital Strength and Financial Stability. UBS is one of the world's best capitalized financial institutions according to the results of the 2023 Federal Reserve annual stress test, standing out as one of the most financially stable institutions among the top underwriters of municipal bonds. The tier 1 common capital ratio measures the Firm's core equity capital compared to its total risk-weighted assets; a higher ratio demonstrates more capital in relation to risk-weighted assets. UBS's common capital ratio of 8.0% is over 1.7x the minimum required ratio. UBS Financial Services Inc.'s municipal bond operation currently has been allocated a Firm capital commitment of up to $750 million, a portion of which is allocated to our current municipal inventory. UBS has demonstrated our willingness and ability to support our clients by underwriting bonds in order to provide strong pricing levels, and UBS would strive to do so for the College as its Senior Manager. UBS is also active in the secondary market, providing support and liquidity for our issuing clients. As of August 2023, UBS AG's Ratings from the three main rating agencies stand at "Aa3" (Negative), "A+" (Stable) and "A+"(Stable) from Moody's, S&P, and Fitch respectively. These ratings reflect the group's diverse business model, well-executed strategy and leading positions as a global wealth manager, and domestic retail and corporate bank.

C. Professional Experience and References

Provide a list of the individuals who will be assigned to work with the College on the proposed financing, including the firm's lead underwriter assigned to the financing and identifying personnel with day-to-day responsibility. Describe the role of each individual in the underwriting and include the telephone and email for each. Include a brief resume of each individual's education and training and include experience on similar credits.

All of the Firm's resources will be available to the University for its upcoming issuance, including our experienced and dedicated coverage team comprised of bankers, underwriters, credit strategists, quantitative specialists, and investor marketing outreach experts, ensuring that the College always has access to highly experienced professionals.

***Banking*. Allison Pink, Executive Director**, based in Chicago, will have responsibility for the College's assignment and will serve as the primary contact for this engagement. Allison brings over 15 years of public finance banking experience to the College, in addition to her unique and diverse background in the higher education, student housing, affordable housing, and Missouri municipal sectors that she would be pleased to leverage for the benefit of the College on its upcoming financing. Over the course of her career, Allison has served a number of public higher education institutions, including the University of Oklahoma, the University of Colorado, California State University, and the University of California. Allison served as a member of the syndicate on a $150.5 million transaction for the University of Oklahoma that repurchased a student housing facility (Cross Village) from Sovereign Properties Holdco, LLC who took over ownership of the facility from Provident Oklahoma Education Resources in 2021. Allison is also currently serving in the syndicate on a student housing transaction for a university in the Southeast region where the financing will provide an up-front payment to the University for the developer to lease and operate an existing student housing facility on campus, in addition to funding needed renovations to the facility which will be completed in phases over the next several years. We expect this financing to be completed in the 4th quarter of 2023. Allison is a graduate of Vanderbilt University where she earned a B.A. in Economics and Sociology.

Michele Vobach, Managing Director and Head of Higher Education, Healthcare, and Not-for-Profits, will provide senior oversight on the College's financing**.** Michele, based in Dallas, brings 33 years of experience to the College, including experience with large prominent institutions, such as Vanderbilt University, the University of Texas System, Rice University, Southern Methodist University, the University of Virginia, the University of Oklahoma and the Texas A&M University System.

Emmett Morrissy and Sabina Kou, Analysts, will provide quantitative and transaction execution support for the College as members of the Higher Education, Healthcare, and Not-for-Profits team. Emmett joined the UBS team in September 2021 and previously served as a Senior Consultant at Capgemini Invent where he supported a wide range of projects for the healthcare sector including post-merger integrations, M&A due diligence, and digital transformation initiatives. Emmett obtained a B.A. from Northwestern University. Sabina joined UBS in December 2021, and previously served as an Analyst at Prager and Co., a Municipal Advisory Firm. Ms. Kou obtained a B.A. in Economics from Pomona College with a minor in Mathematics.

Underwriting. **Angelia Schmidt, Managing Director and Head of Municipal Underwriting**, will serve as the lead underwriter for the College on its upcoming financing. Angelia has extensive experience serving higher education issuers, including the Regents of the University of California, Regents of the University of Colorado, Trustees of the California State University, Dormitory Authority of the State of New York, New York University among others, in addition to higher yielding transactions. Angelia is one of few women to lead a municipal underwriting desk at a national firm and she was recently selected to serve as vice-chair of the MSRB board. Angelia joined UBS in 2017, after serving as a senior underwriter in the JPMorgan Public Finance Department since 2008. Angelia earned her B.S. in Engineering from Cornell University and her MBA from Columbia University.

Elizabeth Andreev, Executive Director, will provide underwriting support to the College on its upcoming transaction. Elizabeth brings over 15 years of experience and extensive knowledge of the municipal bond investor base and has relevant experience with public higher education institutions and higher yielding transactions. Elizabeth has recently served as underwriter for University of California, Ramapo College, California State University, Arizona State University, University of Massachusetts Building Authority, Massachusetts State College Building Authority, Yeshiva University, Rhode Island School of Design, Seton Hall University, Berklee College of Music, Benedictine University, and California Institute of the Arts. In addition to her underwriting experience, she has more than 10 years of buy-side and sell-side trading experience and extensive knowledge of the municipal bond investor base. Prior to joining UBS in 2018, Ms. Andreev served as a propriety trader, focusing on Municipal Bonds, as well as a market maker on the Nasdaq and NYSE for more than 10 municipal bond ETFs. Ms. Andreev graduated from Carnegie Mellon University with a B.S. in Mathematics.

Credit Strategies. The Credit Strategies team for UBS will be led by **Kristin Stephens, Managing Director and the Head of Credit Strategies,** who brings more than 21 years of experience in municipal credit analysis. Kristin applies a deep knowledge of the high-grade and high-yield sectors to apprise clients of industry trends and developments, provide innovative credit solutions, develop rating agency strategies, and enhance investor outreach. Prior to joining UBS public finance, Kristin previously served as the Senior Municipal Credit Strategist for the UBS CIO, where she focused on the tax-exempt fixed income market. Kristin has a bachelor's degree in economics and political science from Northwestern University.

Nicole Pey, Director, based in the Chicago office, will assist Kristin in the development of credit rating and investor marketing strategies for the College. Nicole covers numerous issuers nationwide, including higher education institutions, states, local governments, transportation entities and housing authorities. She joined the firm in 2018. Nicole has a B.A. in Mathematics from Colorado College with a minor in Music. With combined 27+ years of experience in municipal credit, Kristin and Nicole are valuable team members who can provide the College with an insightful marketing and investor outreach strategy and facilitate meaningful engagement with key investor targets.

Quantitative Strategies. The Quantitative Strategies team for UBS is led by **Giles Nicholson, Executive Director and Head of Quantitative Strategies,** who is a specialist in the execution of transactions with complex cash flow structures. Giles brings over 29 years of public finance experience to the College. Giles is a graduate of Harvard University.

Arthur Staub, Executive Director, specializes in structuring transactions for issuers with complex financing objectives. Arthur will help analyze the impact of bond structures on the College's upcoming financing to determine the optimal scenario for the College. Arthur joined UBS in June 2022, while previously serving as a Director at Wells Fargo. Arthur holds a BA degree in computing science and economics from Columbia College and an MBA degree in finance from Columbia University Graduate School of Business

Name	Title	Role	Location	Years of Experience	Telephone Number	Email
Investment Banking Team						
Allison Pink	Executive Director	Primary Banker Higher Education and Housing	Chicago	15	(312) 525-4120	allison.pink@ubs.com
Michele Vobach	Managing Director	Senior Oversight Head of Higher Education, Healthcare, and Not-for-Profit	Dallas	33	(214) 981-0524	michele.vobach@ubs.com
Emmett Morrissy	Analyst	Transaction Support Higher Education	New York	2	(212) 821-7505	emmett.morrissy@ubs.com
Sabina Kou	Analyst	Transaction Support Higher Education	San Francisco	3	(415) 576-2912	sabina.kou@ubs.com
Underwriting, Sales and Trading						
Angelia Schmidt	Managing Director	Head of Municipal Underwriting	New York	22	(212) 821-3131	angelia.schmidt@ubs.com
Elizabeth Andreev	Executive Director	Underwriter	New York	15	(212) 713-3991	elizabeth.andreev@ubs.com
Credit Strategies						
Kristin Stephens	Managing Director	Head of Credit Strategies	New York	21	(212) 713-9854	kristin.stephens@ubs.com
Nicole Pey	Director	Credit Strategies	Chicago	7	(312) 525-4140	nicole.pey@ubs.com
Quant Strategies						
Giles Nicholson	Executive Director	Head of Quantitative Strategies	New York	32	(212) 821-3629	giles.nicholson@ubs.com
Arthur Staub	Executive Director	Quantitative Strategies	New York	25	(212) 713-4688	arthur.staub@ubs.com

D. Structure and Timing

Provide any thoughts or ideas related to the Project, Security, or Financing Terms options outlined previously in this Request. Please describe the advantages and/or disadvantages of the two security options. Please include a discussion of optimal coverage ratios, debt service reserve funds, and any other important credit differences.

Following our review of the market study included with the RFP materials, the College's project has a strong demand profile and demonstrates a sufficient need for the proposed student housing units. From a credit perspective, the College's COPs are a known structure to Moody's and investors alike, despite there being a modest amount of the Series 2017 COPs outstanding. While the College intends to utilize the revenues of the student housing project to repay debt service, in the COPs structure, it is our understanding that the College could utilize additional funds available in the appropriation for debt service. Given that, we have not assumed the funding of reserve funds in the COPs structure. From a rating standpoint, we assumed the COPs would be rated in line with the existing outstanding Moody's rating of Baa1. As noted below, we would craft a targeted rating agency strategy in an effort to maintain the current rating in the face of the incremental debt issuance and enrollment pressures.

Alternatively, in the revenue bonds scenario, we assumed a lower investment grade rating of Baa3 based on the security features provided, various assumptions, and comparable transactions in the student housing and project finance sector. In our view, the project's location on College-owned land is a credit positive, along with the sufficient projected student demand and overall credit positives of the College. Given the repayment source is limited to the project revenues in this case, we would recommend funding a debt service reserve fund at maximum annual debt service and including a coverage ratio of 1.2x in the bond documents. We made an assumption for comparison purposes that this credit would receive a 'Baa3' rating; however, there is a possibility that the rating agency could view this structure in a more negative light given recent enrollment trends and other factors.

Based on our rating assumptions, the COPs transaction would result in more efficient pricing. As shown in our response to section G below, we believe the COPs would price approximately 20 bps tighter than the Revenue Bonds across the curve, based on our assumed rating for the two structures. If the Revenue Bonds were assigned a rating below investment grade, this differential would widen even further as the potential investor base would contract and investors would demand a higher yield for perceived risk taken.

Describe your proposed rating agency strategy. Describe what affect, if any, your firm anticipates the additional debt of this transaction will have to the College's rating.

Moody's currently assigns a 'A3' rating to the College's issuer rating and a 'Baa1' rating to the College's outstanding COPs. Moody's recognizes the College's credit strengths in strong total cash and investments compared to budget, flexibility to increase tuition, and good revenue diversity with the largest revenue stream (tuition and fees) accounting for no more than 35% of operating revenue. While current leverage is minimal, Moody's noted in its most recent credit write up that a "significant increase in leverage and fixed costs" is one of three metrics that could potentially lead to a negative rating impact. UBS, as Sole Manager, would conduct a pro forma rating analysis using the relevant criteria from Moody's to understand the potential scorecard rating impact of the College's proposed issuance. Our goal would be to advocate for the College to receive an affirmation of current ratings, especially given the expectation that the revenues of the student housing facility would support debt service on the proposed financing. However, given the recent commentary with regard to the impact of additional leverage, we need to frame the financing in the context of the broader credit strengths of the University.

Rating strategy. As Sole Manager, UBS would be pleased to work with the College and its municipal advisor to craft a comprehensive rating agency strategy that thoroughly presents the University's new money issuance, highlighting the importance of the student housing project and the existing demand that will be transferring from an existing housing facility. UBS would highly recommend focusing on the College's strong underlying strengths, including strong wealth levels, revenue diversity, and increased state appropriations in recent years among others, which help to mitigate the credit impact of the College's increased debt load. UBS has extensive experience assisting issuers in achieving successful rating outcomes through targeted rating agency strategies, similar to what we have outlined for the College, led by our Credit Strategies team, headed by Kristin Stephens, Managing Director, and Nicole Pey, Director.

The UBS difference. No one can better convey the College's credit narrative than the College itself, and UBS is uniquely positioned to assist in this effort, having worked with numerous high-profile clients in a similar capacity. At UBS, meeting the credit objectives of our clients is a foremost priority and we welcome the opportunity to support the College as its advocate when presenting its credit to rating agencies and investors. Our team delivers an unparalleled level of attention and care for our clients in this important aspect of the financing, facilitates a seamless process and prepares clients to anticipate and actively address any potential rating agency concerns. We begin by working with our clients and their municipal advisors to understand the client's goals with respect to the credit and rating agency strategy so that we can best address their needs. After determining an appropriate course of action, UBS would offer ideas to refresh existing rating agency and investor presentations or develop new materials, with an understanding of the relevant rating methodology, to make a compelling rating argument, whether seeking rating maintenance or an upgrade. In some instances, we incorporate peer analyses and innovative third-party research. UBS would welcome the opportunity to develop and implement thoughtful credit strategies for the College.

UBS Difference:

- Leveraging decades of credit analysis experience, our Credit Strategies team would help the College develop a tailored credit message, engage with the rating agencies, and highlight the University's unique strengths to investors.

Results of our recent work together with high-profile clients demonstrates the value of our analysis. As Joint-Bookrunning Senior Manager for the Commonwealth of Massachusetts' $1 billion Series 2023AB GO Bond sale, UBS supported the Treasurer's Office in securing an upgrade from S&P to AA+. The Commonwealth gave UBS the role of assisting with the rating agency presentations on the transaction. As part of this assignment, UBS performed an in-depth analysis of key factors influencing Massachusetts' rating outcome pursuant to S&P's US State Ratings Methodology. UBS targeted three of the five ratings factors for which the Commonwealth might achieve a better score and prepared a comprehensive 60-page comparative analysis for every sub-factor for every relevant state. UBS also prepared new analyses on the composition of the state workforce and employer concentration. An important achievement for the Commonwealth, the upgrade elevated its GO rating uniformly into the Aa1/AA+ category by each Moody's, S&P and Fitch. Building on these successes along with others, ranging from our work with the State of Connecticut (where UBS guided the State in achieving upgrades from all three rating agencies), to the City of Chicago, City of Indianapolis, Massport and beyond, UBS would partner with the College and its municipal advisor to maximize its rating outcome.

Describe in detail your proposed marketing plan for the transaction. At a minimum, your marketing plan should address the following issues:

1. **Describe the likely investor base for the Certificates/Bonds and the steps that need to be taken to interest those buyers in the transactions.**
2. **Describe any marketing challenges related to the sale execution of the transaction.**
3. **Describe the proposed couponing strategies (par vs. discount vs. premium) and their impact on the marketability of the transaction and the cost to the College.**
4. **What value, if any, would bond insurance provide to the Certificates/Bonds? Would the proposed takedown include included as Attachment I to the Request change if the Certificates/Bonds were insured? If so, please specify any change as part of your response.**

UBS Sales and Distribution Capabilities. UBS is uniquely positioned to employ a multi-pronged approach to market the College's bonds through our tier-one institutional, middle market, and retail distribution channels.

- **Institutional Distribution. Tier-1 Institutional.** UBS' New York-based Tier 1 institutional sales force covers the 200 largest funds, insurance companies, asset managers, and hedge funds. This 7-person team averages more than 20 years of experience and has been with UBS through multiple economic cycles with experience marketing bonds in all environments. **UBS coverage of the top 200 Institutional accounts includes 100% penetration and an 8.5% market share**.
- **Middle Market Distribution. Tier-2 & Tier-3 Institutional Sales.** As a complement to our municipal Tier 1 salesforce, UBS has a 38-person Unified OneClient Fixed-Income Sales team that cover Tier 2 and Tier 3 regional institutional investors, consisting largely of mid-sized banks, municipalities, insurance companies, and money managers. This regional coverage will allow for UBS to further expand the College's buyer base into middle market institutions not covered by most of our competitors. Our Unified OneClient Fixed-Income salesforce is located in 15 offices throughout the country.
- **Retail.** **<u>As the world's largest wealth manager, UBS has tremendous access to retail investors which sets us apart from our competitors</u>**. UBS maintains a best-in-class retail network with nearly 6,000 financial advisors to wealth management clients across the country holding over $84 billion in municipal holdings, almost three percent of the $3.7 trillion municipal bond market. We maintain a strong presence in Missouri, with 104 financial advisors located in three cities across the state managing approximately $439.9 million of municipal bonds. **UBS retail clients nationally hold approximately $490.9 million of Missouri municipal bonds.**

Comprehensive Marketing Approach. UBS would recommend a multi-faceted marketing and distribution strategy ahead of the College's financings that incorporates numerous investor outreach techniques to reach the broadest, most diverse investor base possible. UBS has established specific goals for our marketing plan, along with suggested methods for investor engagement for the College to consider ahead of its upcoming financing.

Institutional Marketing. UBS has one of the longest tenured institutional salesforces on Wall Street. Most of the group has been with UBS through multiple economic cycles and knows how to market bonds in all market environments. This team has strong global relationships, and knows how to market offerings for broad acceptance. **All of our institutional investor relationships will be deployed to deliver a robust order book and strong pricing for the College's bonds**. In order to engage and broaden the institutional investor base of the College's Bonds, UBS recommends the following strategies for identifying and targeting specific investors.

- **Thorough Review and Update to the POS and Appendix A.** UBS would recommend the College, in consultation with its municipal advisor, disclosure counsel, and UBS, update the POS and Appendix A to include information that they believe would be important to include in the investor presentation and/or that an investor may inquire about directly, especially given the College has not sold bonds in the primary market since 2017. From a compliance standpoint, all information included in the investor presentation and discussed in investor one-on-one conversations must be included in the POS which makes this exercise critical for a comprehensive dialogue with investors.
- **Early Posting of the POS.** We would recommend posting the POS and the online investor presentation at least one week (preferable two weeks if possible) prior to pricing in order to ensure sufficient time for investors to review the materials and obtain internal credit approvals.
- **Online Investor Presentation**. UBS would highly recommend the College post an online investor presentation in conjunction with the POS. Online presentations are an efficient medium to effectively communicate with a broad pool of investors. Our bankers have extensive experience drafting and coordinating these presentations for a wide variety of clients. UBS will work with the College and its municipal advisor to prepare presentation materials to post in conjunction with the release of the POS. The online investor presentation will be especially useful to explain the College's enrollment strategy, response to COVID-19, and underlying credit strengths.
- **One-on-one Discussions with Investors.** UBS would recommend that the College engage in direct dialogue with investors that may have additional questions after viewing the online presentation and reading the POS. UBS, as Sole Manager, will coordinate the scheduling of individual investor calls based on the availability of College management and staff and the College's municipal advisor. Further, UBS will ensure that investors have viewed the online investor presentation and POS prior the one-on-one discussion such that the calls are productive and not duplicative. Typically, this follow-up takes place several days prior to the pricing date.
- **Institutional Investor Targeting.** In an effort to engage the broadest investor base possible, UBS would target investors in comparable transactions (similar rating/COPs/student housing). For a COPs transaction, we would expect interest from high-yield bond funds, insurance companies, and hedge funds. We have found our investor targeting analysis to be very successful in recent transactions in order to broaden the investor base during the pre-marketing process.

- **Leverage UBS' Middle Market Distribution Capabilities.** In order to reach a broader number of institutional investors, UBS recommends leveraging our 38-person Unified OneClient Fixed-Income Sales team which covers Tier 2 and Tier 3 investors including local mid-sized banks, insurance companies and money managers. This regional coverage will allow for UBS to expand the College's buyer base into middle market institutions not covered by most of our competitors. The regional nature of the middle market sales team allows UBS to access buyers who only speak to a few dealers and are often overlooked by our competitors. This distribution channel brings in true "buy and hold" accounts with typical order sizes ranging from $2 million to $25 million, offering additional investor depth of demand.

Timing of the proposed transaction could be a potential marketing challenge to the extent the high-yield market is experiencing outflows and/or investor risk appetite and demand changes toward year-end. Our institutional sales team will be in constant communication with targeted investors upon receiving the mandate from the College which will allow us to provide real time feedback to the College and its municipal advisor regarding investor sentiment. This feedback can be helpful as we look to finalize the structure, credit features, and timeline of the College's financing.

Retail Marketing Approach. UBS strives to deliver strong retail demand in all higher education transactions in which we participate, regardless of role. Retail demand can help drive down borrowing costs, as retail investors tend to be less price sensitive than institutional investors, and strong retail participation can provide institutional investors comfort that there will be a robust secondary market for the issuance. Retail has proven to be a robust and active investor segment in recent transactions in the current market, mainly driven by the elevated level of interest rates. We would note that retail investors tend to prefer high-grade and higher rated transactions. That said, we would still ensure that the College's transaction is actively marketed to our retail network, especially if the structure is assigned an investment grade rating. Outreach to retail investors will be conducted through UBS's retail branch network and **two parallel retail marketing campaigns would be executed – one specifically tailored to Missouri investors and one designed to generate national retail investor appeal**. The in-state campaign will include direct contact with the advisors in our Missouri offices across the State.

Bond Insurance. As Sole manager, UBS would work with the College and its municipal advisor to conduct an analysis to determine how cost-effective the use of bond insurance is for each maturity across the yield curve. Given the anticipated ratings of the COPs and Revenue Bonds, the College may wish to consider the use of bond insurance to enhance the rating and potentially bring in additional investors to the transaction. Additionally, insurance can provide a potential yield benefit which our desk currently estimates at approximately 20 bps across the curve. In addition to the pure yield benefit, insurance could also be beneficial in broadening the investor base to investors who might be limited to higher rating categories. In preparation of our RFP response, UBS reached out to the insurance companies with regard to the College's transaction. We were encouraged to follow up with them once the deal is structured to go through their due diligence process and see if the insurance companies could get the College's credit approved internally.

Alternative Couponing Considerations. UBS, as Sole Manager, could evaluate if alternative couponing could be advantageous for the College based on the current market conditions and investor demand at the time of pricing. In the current market, large institutional clients such as bond funds, prefer to own traditional 5+ percent coupons however, true mom-and-pop retail investors generally prefer a lower dollar price which is driven by lower couponing. A mixed coupon strategy could allow the College to maximize investor demand and while also reducing borrowing costs. For purposes of our indicative pricing levels included in Section G below, our underwriting desk incorporated 5%-5.25% coupons for the COPs structure and 5%-5.50% for the Revenue Bonds structure. Based on current market conditions, our desk would be open to bifurcating or pre-marketing with 4.5% coupons in 2037 and 2038 at a spread 20 wider than the spreads listed for the COPs, if the College was interested in exploring the viability of lower coupons.

G. Proposed Scale

Provide your firm's best estimate of the actual spreads to the MMD 'AAA' index by maturity that would apply to the transaction in today's market environment. Assume the terms outlined in the prior sections and a 10-year par call. Please provide a scale for both Certificates of Participation and Revenue Bonds. Include a proposed coupon structure in your response. Please discuss the pricing impact of a 10-year par call versus a shorter call provision. Are there particular strategies that you would recommend related to the structuring of the redemption feature(s). The College will use this information compared to the recent comparable transactions in the market to access the competitiveness and reasonableness of the respondent's scale. Explain influencing factors that could alter the proposed spreads.

UBS Proposed Scale. The scale below displays our proposed tax-exempt scales with rates as of August 30th. We assume a 10-year par call and ratings of Baa1 and Baa3, respectively, for the Certificates of Participation ("COP") and Revenue Bonds. We could explore alternative couponing structures as we approach pricing; however, based on market conditions as of August 30th, we would propose a 5.00% - 5.25% coupon scale for the COPs and a 5.00% - 5.50% coupon structure for the Revenue Bonds. UBS could work with the College and its municipal advisor to explore a structure with a shorter optional redemption provision. We believe a 8- or 9-year call could be marketable in the current market environment with no change in the yield to call values as shown below.

		Proposed Tax-Exempt Pricing for State Fair Community College's Upcoming Financings									
		Certificates of Participation (Baa1)					Revenue Bonds (Baa3)				
	MMD (8/30)	Amort. ($000s)	CPN	Spread	Yield	Yield to Mat.	Amort. ($000s)	CPN	Spread	Yield	Yield to Mat.
12/15/2024	3.27%	0	5.00%	70	3.97%	3.97%	0	5.00%	90	4.17%	4.17%
12/15/2025	3.13%	335	5.00%	72	3.85%	3.85%	240	5.00%	92	4.05%	4.05%
12/15/2026	3.01%	355	5.00%	75	3.76%	3.76%	255	5.00%	95	3.96%	3.96%
12/15/2027	2.92%	370	5.00%	77	3.69%	3.69%	265	5.00%	97	3.89%	3.89%
12/15/2028	2.90%	390	5.00%	80	3.70%	3.70%	280	5.00%	100	3.90%	3.90%
12/15/2029	2.90%	410	5.00%	84	3.74%	3.74%	295	5.00%	104	3.94%	3.94%
12/15/2030	2.90%	430	5.00%	88	3.78%	3.78%	305	5.00%	108	3.98%	3.98%
12/15/2031	2.91%	450	5.00%	92	3.83%	3.83%	320	5.00%	112	4.03%	4.03%
12/15/2032	2.93%	475	5.00%	96	3.89%	3.89%	340	5.00%	116	4.09%	4.09%
12/15/2033	2.97%	500	5.00%	100	3.97%	3.97%	355	5.00%	120	4.17%	4.17%
12/15/2034	3.04%	525	5.00%	105	4.09%	4.15%	375	5.00%	125	4.29%	4.34%
12/15/2035	3.13%	550	5.00%	110	4.23%	4.33%	390	5.00%	130	4.43%	4.50%
12/15/2036	3.24%	575	5.00%	115	4.39%	4.50%	410	5.00%	135	4.59%	4.66%
12/15/2037	3.32%	605	5.00%	115	4.47%	4.59%	430	5.00%	135	4.67%	4.74%
12/15/2038	3.42%	635	5.00%	115	4.57%	4.68%	455	5.00%	135	4.77%	4.83%
12/15/2039	3.46%	670	--	--	--	--	475	--	--	--	--
12/15/2040	3.50%	700	--	--	--	--	500	--	--	--	--
12/15/2041	3.55%	735	--	--	--	--	525	--	--	--	--
12/15/2042	3.61%	775	--	--	--	--	550	--	--	--	--
12/15/2043	3.65%	810	5.25%	120	4.85%	5.00%	580	5.25%	140	5.05%	5.12%
12/15/2044	3.68%	850	--	--	--	--	610	--	--	--	--
12/15/2045	3.72%	895	--	--	--	--	640	--	--	--	--
12/15/2046	3.76%	940	--	--	--	--	670	--	--	--	--
12/15/2047	3.79%	985	--	--	--	--	705	--	--	--	--
12/15/2048	3.82%	1035	5.25%	125	5.07%	5.15%	740	5.50%	145	5.27%	5.37%
12/15/2049	3.84%	--	--	--	--	--	775	--	--	--	--
12/15/2050	3.85%	--	--	--	--	--	815	--	--	--	--
12/15/2051	3.86%	--	--	--	--	--	855	--	--	--	--
12/15/2052	3.87%	--	--	--	--	--	900	--	--	--	--
12/15/2053	3.88%	--	--	--	--	--	945	5.50%	145	5.33%	5.41%

Provide a breakdown of your proposed underwriting spread on Attachment I. Please note that the College expects the firm selected to adhere to the quotes provided for underwriting risk, takedown, and management fee.

UBS proposes the following fee structures if we are selected as Sole Manager for the College's proposed transaction. Please note that these two structures vary based on uninsured and insured issuances.

Uninsured Fee Structure

Proposed Gross Spread		
Component	**$/Bond**	**$ Amount**
Average Takedown	$7.00	$105,000
Expenses	1.04	15,616
Management Fee	2.00	30,000
Total Gross Spread	**$10.04**	**$150,616**

Breakdown of Expenses			
Component	**Basis**	**$/Bond**	**$ Amount**
IPREO	Per Bond	$0.0707	$1,060
IPREO Game Day	Per Bond	0.0343	514
IPREO Wire Charge	Fixed	0.0034	51
DTC	Fixed	0.0533	800
CUSIP	Per Bond	0.0793	1,190
Underwriter's Counsel	Fixed	0.6667	10,000
MuniOS Roadshow	Fixed	0.1333	2,000
Total Expenses		**$1.0411**	**$15,616**

Insured Fee Structure

Proposed Gross Spread		
Component	**$/Bond**	**$ Amount**
Average Takedown	$5.00	$75,000
Expenses	1.04	15,616
Management Fee	1.00	15,000
Total Gross Spread	**$7.04**	**$105,616**

Breakdown of Expenses			
Component	**Basis**	**$/Bond**	**$ Amount**
IPREO	Per Bond	$0.0707	$1,060
IPREO Game Day	Per Bond	0.0343	514
IPREO Wire Charge	Fixed	0.0034	51
DTC	Fixed	0.0533	800
CUSIP	Per Bond	0.0793	1,190
Underwriter's Counsel	Fixed	0.6667	10,000
MuniOS Roadshow	Fixed	0.1333	2,000
Total Expenses		**$1.0411**	**$15,616**

I. Underwriters' Counsel

Please identify at least two firms you propose to use as underwriters counsel for this transaction. Proposers must verify that the firms listed are willing to provide the requested services for the quoted fee. Payment of underwriters' counsel will be made from the expense component of the underwriting spread.

We solicited fee quotes from two firms as shown in the chart below: We have included the lower of the two bids in our underwriter's expense calculations above.

Firm Name (Lawyer)	Fee Quote
Dentons (Karen Jordan)	$20,000
Thompson Coburn LLP (Ali Rafferty)	$10,000

J. Conflicts of Interest

Disclose any relationships, contractual or otherwise, that your firm has with any individual, organization or firm that would present a potential conflict, or appearance thereof, with your role as underwriter.

To the best knowledge of the person submitting this response on behalf of UBS Financial Services Inc. ("UBS FSI"), there is no existing or potential conflict of interest that would interfere with UBS FSI, if engaged as an underwriter for a College bond issuance, satisfying any regulatory or contractual obligations that UBS FSI would owe the College in connection with such engagement.

K. Investigations

Provide a summary of any inquires, investigations or litigation over the past five years (including those in progress) that concern your firm's (or any employee's) underwriting, investment banking, capital markets, or financial advisory activities. Include a description of any inquiries or actions taken against your firm or employees by any court or regulatory authority, including fines, suspensions, censure, etc.

Due to the global nature of its business, UBS Group AG (the UBS parent company) is subject to a wide range of regulatory oversight, including oversight of its U.S. public finance business. We are involved in a variety of claims, disputes, legal proceedings and governmental and regulatory inquiries and investigations in jurisdictions where we are active and such matters from time to time include matters involving our municipal securities or public finance business. As part of the securities industry registration and licensing process, UBS and its employees are required to disclose certain arbitration awards, disciplinary, financial and regulatory events. In addition actions by regulatory authorities against current or former employees are also disclosed. Information in this regard is available on FINRA's BrokerCheck website (https://brokercheck.finra.org/). This information includes disclosures related to not only the broker dealer through which UBS conducts its public finance business (currently UBS Financial Services Inc.) but to our parent company (UBS Group AG) and other UBS Affiliates. UBS Group AG discloses material legal proceedings as part of its SEC filings, including matters relating to its subsidiaries. The most recent such filings can be found on the firm's Investor Relations website (https://www.ubs.com/global/en/about_ubs/investor_relations.html). We are not able to comment on pending, anticipated, ongoing or completed non-public governmental or regulatory inquiries, investigations or legal proceedings, if any."

State Fair Community College
3201 W. 16th Street
Sedalia, MO 65301

Attn: Keith Acuff, Vice Present, Finance and Administration

Re: Disclosures by UBS Financial Services Inc. Pursuant to MSRB Rule G-17
State Fair Community College
Request for Proposals for Underwriters

Dear Mr. Acuff:

We are writing to provide you, Keith Acuff, Vice President, Finance and Administration for State Fair Community College (the "Issuer"), with certain disclosures relating to the captioned bond issue (Bonds), as required by Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2019-20 (Nov. 8, 2019).[1]

UBS Financial Services Inc. ("UBS FSI") proposes to serve as an underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds.

As part of our underwriting services, we may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

The following G-17 conflict of interest disclosures are now broken down into three types, including: 1) dealer-specific conflicts of interest disclosures (if applicable); 2) transaction-specific disclosures (if applicable); and 3) standard disclosures. You may receive additional separate disclosure letters pursuant to Rule G-17 from the co-managing underwriters or other syndicate members for the Bonds if they have their own dealer-specific or transaction-specific disclosures.

I. <u>Dealer-Specific Conflicts of Interest Disclosures</u>

UBS FSI has identified the following actual or potential[2] material conflicts of interest:

- Conflicts of Interest/Payments to or from Third Parties
  - UBS FSI has entered into a distribution and service agreement with its affiliate UBS Securities LLC ("UBS Securities") that enables UBS Securities to distribute certain new issue municipal securities underwritten by or allocated to the underwriters, which could include the Bonds. Under that agreement, if utilized in connection with this transaction, UBS FSI would share with UBS Securities a portion of the fee or commission paid to UBS FSI.
- Other Conflicts of Interest Disclosure
  - In the ordinary course of its various business activities, UBS FSI and its affiliates, officers, directors, and employees may purchase, sell or hold a broad array of investments and may actively trade securities, derivatives, loans, commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (whether directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. UBS FSI may compensate its eligible Wealth Management employees to refer business to its Public Finance Group. UBS FSI and its affiliates also may communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and at any time may hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments in capacities other than as Municipal Advisor.

[1] Revised Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective Mar. 31, 2021).

[2] When we refer to *potential* material conflicts throughout this letter, we refer to ones that are reasonably likely to mature into *actual* material conflicts during the course of the transaction, which is the standard required by MSRB Rule G-17.

II. Transaction-Specific Disclosures

- Disclosures Concerning Complex Municipal Securities Financing:
  - Since we have not recommended a "complex municipal securities financing" to the Issuer or Obligor, additional disclosures regarding the financing structure for the Bonds are not required under MSRB Rule G-17.

III. Standard Disclosures

- Disclosures Concerning the Underwriters' Role:
  - MSRB Rule G-17 requires an underwriter to deal fairly at all times with both issuers and investors.
  - The underwriters' primary role is to purchase the Bonds with a view to distribution in an arm's-length commercial transaction with the Issuer. The underwriters have financial and other interests that differ from those of the Issuer.
  - Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.
  - The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction.
  - The underwriters have a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.
  - The underwriters will review the official statement for the Bonds in accordance with, and a part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.[3]
- Disclosures Concerning the Underwriters' Compensation:
  - The underwriters will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriters may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Please note that nothing is this letter should be viewed as a commitment by the underwriters to purchase or sell all the Bonds and any such commitment will only exist upon the execution of any bond purchase agreement or similar agreement and then only in accordance with the terms and conditions thereof.

Depending on the structure of the transaction that the Issuer decides to pursue, or if additional actual or potential material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you, the Issuer, in connection with the issuance of the Bonds. Thank you.

[3] Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriters is solely for purposes of satisfying the underwriters' obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

Sincerely,

Ali Pink

Allison Pink
UBS Financial Services Inc

Acknowledgement of Receipt:

Keith Acuff
State Fair Community College

Required Disclosures

Disclosures About UBS Financial Services Inc.'s Role as Underwriter, Not as Municipal or Financial Advisor: UBS Financial Services Inc. ("UBS FSI") intends to serve as an underwriter, and not as a municipal or financial advisor, in connection with the potential issuance of bonds, notes or other municipal securities (the "Bonds"). We are providing you, the issuer of the Bonds (the "Issuer"), with certain disclosures relating to the Bonds, as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2012-25 (May 7, 2012). Such disclosures can be found herein under the heading "Disclosures by UBS Financial Services Inc. Pursuant to MSRB Rule G-17."

Additional Disclosures: This RFP has been prepared by UBS FSI exclusively for the Issuer and the other party or parties to whom UBS FSI delivers this RFP (collectively, the "Intended Recipients"). Except with respect to information concerning UBS FSI and its operations and capabilities and any transactions previously or currently underwritten by UBS FSI, UBS FSI has not independently verified any information contained herein and does not make any representation or warranty, either express or implied, as to the accuracy, completeness or reliability of such information. Any estimates or projections as to future events (including, but not limited to, projections as to future debt service payments) contained in this RFP, if any, reflect the best judgment of UBS FSI based upon the information provided by the Intended Recipients, current market conditions and other publicly available information as of the date of this RFP. Actual results may vary from the estimates or projections reflected herein. Nothing contained herein is, or shall be relied upon as, a promise or representation that such estimates or projections will be realized.

This RFP has been prepared in response to a request for information issued by State Fair Community College. It is the understanding of UBS FSI that this RFP has been distributed to at least 3 market participants. The Intended Recipients should not construe the contents of this RFP as legal, tax, accounting or financial advice or a recommendation. The Intended Recipients should consult their own legal, tax, accounting, financial and other advisors to the extent it deems appropriate.

Notwithstanding the remainder of this paragraph, the Intended Recipients and any of their employees, representatives or other agents may distribute this RFP to any other person or entity if such distribution is required under any federal, state or local law. This RFP has been prepared on a confidential basis solely for the use and benefit of the Intended Recipients; provided, however, that the Intended Recipients and any of their employees, representatives, or other agents may disclose all, or any portion of, this RFP to any of their municipal, legal, tax, accounting, financial and other advisors to the extent they deem appropriate. Distribution of this RFP to any person other than the Intended Recipients and those persons retained to advise the Intended Recipients (each of whom, by taking delivery of this RFP, agrees to maintain the confidentiality of this material and be bound by the limitations outlined herein) is unauthorized. This RFP shall not be copied, reproduced, distributed or passed to others, in whole or in part, at any time without the prior written consent of UBS FSI. UBS FSI accepts no liability whatsoever for the actions of any third parties recipient of this RFP.

In the ordinary course of its various business activities including providing brokerage services to the Issuer and other persons, UBS FSI and its affiliates, officers, directors, and employees may purchase, sell or hold a broad array of investments and may actively trade securities, derivatives, loans, commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of an issuer of municipal securities, including, if applicable, one of the Intended Recipients (whether directly, as collateral securing other obligations or otherwise), and/or persons and entities with relationships with such an issuer. UBS FSI and its affiliates also may communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views, in respect of such assets, securities or instruments and at any time may hold, or recommend to clients that they should acquire, long and/or short positions in assets, securities and instruments, in capacities other than as a municipal advisor.

ATTACHMENT I - Insured Spreads

Breakdown of Proposed Underwriting Spread

Please use the following table to provide your firm's proposed takedown by maturity.

Maturity	Tax-Exempt Takedown $/1,000	
	Retail	**Institutional**
2025	$5.00	$5.00
2026	$5.00	$5.00
2027	$5.00	$5.00
2028	$5.00	$5.00
2029	$5.00	$5.00
2030	$5.00	$5.00
2031	$5.00	$5.00
2032	$5.00	$5.00
2033	$5.00	$5.00
2034	$5.00	$5.00
2035	$5.00	$5.00
2036	$5.00	$5.00
2037	$5.00	$5.00
2038	$5.00	$5.00
2039	$5.00	$5.00
2040	$5.00	$5.00
2041	$5.00	$5.00
2042	$5.00	$5.00
2043	$5.00	$5.00
2044	$5.00	$5.00
2045	$5.00	$5.00
2046	$5.00	$5.00
2047	$5.00	$5.00
2048	$5.00	$5.00
2049	$5.00	$5.00
2050	$5.00	$5.00
2051	$5.00	$5.00
2052	$5.00	$5.00
2053	$5.00	$5.00

Please use the following table to provide your firm's proposed management fee and expenses.

	Tax-Exempt $/1,000
Underwriting Expenses*	
Underwriters' Counsel	0.6667
Overnight Delivery	
iPreo	0.1084
Cost of Funds	
Travel	
Advertising	MuniOS Roadshow: 0.1333
CUSIP	0.0793
Other (Specify)	DTC: 0.0533
Management Fee	1.00
Total Expenses	2.04

ATTACHMENT I - Uninsured Spreads

Breakdown of Proposed Underwriting Spread

Please use the following table to provide your firm's proposed takedown by maturity.

Maturity	Tax-Exempt Takedown $/1,000	
	Retail	**Institutional**
2025	$7.00	$7.00
2026	$7.00	$7.00
2027	$7.00	$7.00
2028	$7.00	$7.00
2029	$7.00	$7.00
2030	$7.00	$7.00
2031	$7.00	$7.00
2032	$7.00	$7.00
2033	$7.00	$7.00
2034	$7.00	$7.00
2035	$7.00	$7.00
2036	$7.00	$7.00
2037	$7.00	$7.00
2038	$7.00	$7.00
2039	$7.00	$7.00
2040	$7.00	$7.00
2041	$7.00	$7.00
2042	$7.00	$7.00
2043	$7.00	$7.00
2044	$7.00	$7.00
2045	$7.00	$7.00
2046	$7.00	$7.00
2047	$7.00	$7.00
2048	$7.00	$7.00
2049	$7.00	$7.00
2050	$7.00	$7.00
2051	$7.00	$7.00
2052	$7.00	$7.00
2053	$7.00	$7.00

Please use the following table to provide your firm's proposed management fee and expenses.

	Tax-Exempt $/1,000
Underwriting Expenses*	
Underwriters' Counsel	0.6667
Overnight Delivery	
iPreo	0.1084
Cost of Funds	
Travel	
Advertising	MuniOS Roadshow: 0.1333
CUSIP	0.0793
Other (Specify)	DTC: 0.0533
Management Fee	2.00
Total Expenses	3.04