CROTON-HARMON UNION FREE SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK

REQUEST FOR PROPOSALS
TO FINANCE AN EQUIPMENT LEASE PURCHASE AGREEMENT

Overview
The Croton-Harmon Union Free School District, Westchester County, New York (the "District"), is seeking proposals (the "Proposal") from qualified respondents to be a third-party lessor to a lease purchase agreement with the District (the "Lease"), the proceeds of which will be used to finance equipment and related work for the implementation of energy conservation measures pursuant to an energy performance contract between the District and Honeywell International, Inc.(the "Performance Contract"). The Performance Contract with Honeywell International, Inc. was executed in August 2026. NYSED review of the project is underway. The NYSED Building Aid rate is projected at 43%.

The District currently expects a lease-purchase financing size of $3,175,000; however, there is some potential for additional utility expense related to a solar interconnect with Con Edison, which would increase the financing size to an amount not expected to exceed $3,500,000. A change in financing size, if applicable, will be known before lease-purchase closing. The District seeks competitive proposals for a lease-purchase financing not to exceed $3,500,000 on the basis of a 16-year term with maturity on December 17, 2042. Final lease size and amortization schedule will be subject to change prior to lease closing.

Project Description
The Project contemplates implementation of various energy saving measures including installation of equipment and related work (the "Equipment"). Energy conservation measures are to be installed in the following District buildings: Croton-Harmon High School, Pierre Van Cortlandt Middle School, and Carrie E. Tompkins Elementary School. The energy savings measures fall under the following categories:

Current Equipment Measures by Category	Amount
Solar PV Systems	$2,605,374
Unit Ventilator Replacements	569,626
Total:	$3,175,000

Lease
Any proposed Lease shall define the purpose and objective of the financing and the rights and obligations of each party to the financing. Further, the Lease will specify the applicable interest rate, as well as contractual terms and conditions. The form of the lease purchase agreement, escrow agreement and any related documents must be submitted with the proposal. Proposers must satisfy themselves that credit approval will be granted prior to submitting a proposal. All finance documents are subject to negotiation and modification by the District's counsel. All agreements and contractual conditions are required to conform with the laws of the State of New York, including but not limited to New York General Municipal Law, Local Finance Law, Education Law, Energy Law and the regulations of the New York State Education Department, the Commissioner of Education and the Office of the New York State Comptroller. The District's attorneys will review and approve all documents before consideration and/or approval by the Board of Education.

Lessor will be required to provide a form of standard lease purchase agreement and escrow agreement with proposal.

Lease Assignment
Assignment of the Lease and related documents by the successful proposer shall be subject to the prior, written consent of the District. The Lease must state that any assignment or transfer of the Lessor's interest shall not be effective until the District has received prior, written notice, signed by the Lessor, of the name, contact person, address, telephone number and tax identification number of the proposed assignee and the District has given its consent in writing. No assignment will be valid unless the Lessor has received the District's prior written consent.

The Lease shall further provide that certificates of participation shall not be executed and delivered without the express written approval of the District which approval may be withheld by the District in its sole and absolute discretion.

Amount
The amount to be financed under the Lease is subject to change and not expected to exceed $3,500,000. Lessor shall be responsible for all fees of Lessor including legal, issuance, origination, commitment and closing costs. The District shall not incur or absorb any fees of Lessor related to Lessor's proposal, negotiations, closing or other activities related to this RFP or the proposed transaction under any circumstances. In the event that a transaction does not close because of the successful proposer's failure to meet the terms of this RFP, the successful proposer shall be responsible for any and all costs incurred by the District in connection with the failed transaction and its negotiation.

Specifications
Interest Rate The Lease Proposal must provide interest rate terms for a lease-purchase option to mature on December 17, 2042 and shall state the interest rates under any options at which the proposing firm will provide the District with financing under the Lease. The Proposal must also cite the index and margin used in establishing the interest rates cited.

Prepayment: The Proposal must state that District will have the right, at its option, to prepay the principal portion outstanding on the Lease, in whole or in part, at any time following 30 days' written notice to the Lessor. The Proposal must disclose additional fees and terms, if any, that are applicable to this prepayment right, in addition to interest payable. The Proposal must also disclose how such amounts are to be calculated in the event that the District exercises its right of partial or whole prepayment. The proposal shall include an option to prepay without penalty.

Subject to the terms of the Inflation Reduction Act, the District may be eligible for a grant for a portion of the project. In such event, the District shall have the right to make an additional one-time prepayment of the loan at par and without penalty, which will result in a new amortization schedule of lease payments reflecting new principal outstanding amortized at lease rate over remaining lease term.

Lease Payments The District will make periodic payments to the Lessor under the Lease. The Lease shall separately state the principal and interest component of the periodic payments to be made thereunder. The total of these payments, which include both principal and interest components made by the District each year throughout the term of the Lease, shall result in substantially level or declining annual lease payments (without taking into account projected State aid or annual energy savings). Lease payments shall be detailed in an amortization schedule prepared by the proposer and provided to the District with its Proposal. For illustrative purposes, please assume a closing date of December 17, 2026 when developing an amortization schedule. Thereafter, payments of principal and interest will be made semi-annually in arrears on each June 17th and December 17th with the first combined principal and interest lease payment to be due on December 17, 2027. Lessor shall provide a statement and thirty days' notification prior to each payment due date.

The Proposal must state that the interest rate and other terms cited in the proposal will be good through December 31, 2026. The Lease shall not become effective until the delivery of funds.

Term The Lease-Purchase Agreement is scheduled to close on December 17, 2026 and mature on December 17, 2042.

Escrow Upon closing, the lease proceeds will be deposited and collateralized in an escrow account to be utilized over the course of project construction (the "Project Fund"). The District shall not be responsible for any costs associated with establishment, maintenance or transfer of the escrow account. The escrow agent must be a bank as defined by NY Banking Law or a national banking association located and authorized to do business in New York or a trust company as defined by NY Banking Law and located and authorized to do business in New York (the "Escrow Agent"). Investment and collateralization of the moneys in such fund will be solely at the direction of the District and must be in compliance with New York State General Municipal Law Sections 10 and 11 as well as the

District's investment policy. ***A copy of the District's Investment Policy is attached to this RFP for reference.*** The Escrow Agent shall be an agent of the District. The Project Fund shall be free of any security interest of the Escrow Agent.

1. At the option of the District, the moneys in the Project Fund may be held uninvested in the Project Fund. If invested, the Escrow Agent shall invest amounts on deposit in the Project Fund solely at the written direction of an Authorized Officer of the District. All investments made shall be subject to the following conditions:

    (a) Such obligations shall be payable or redeemable at the option of the owner within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. Any obligation that provides for the adjustment of its interest rate on set dates shall be deemed to be payable or redeemable for purposes of this paragraph on the date on which the principal amount can be recovered through demand by the holder thereof.

    (b) Such obligations, shall be registered or inscribed in the name of the District and shall be purchased through, delivered to and held in the custody of the Escrow Agent. Such obligations shall be purchased, sold or presented for redemption or payment by such Escrow Agent in obligations only in accordance with prior written authorization from an Authorized Officer of the District. All such transactions shall be confirmed in writing to the District by the Escrow Agent.

2. All investments described above shall be made and ownership recorded in accordance with all applicable requirements of Section 10 and Section 11 of the General Municipal Law, including the required collateralization of escrow funds.

3. The Escrow Agent will expressly acknowledge that the Lessee is not authorized to invest in mutual funds registered with the Securities Act of 1933, as amended and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, including no-load money market mutual funds limited to investments in obligations of or guaranteed by the United States of America or in obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, or any similar mutual fund or other money market or liquid deposit investment vehicles.

4. Monies and investments in the Escrow Fund are owned by the District and shall not be subject to levy, security interest, attachment or lien by or for the benefit of the Escrow Agent, or any creditor thereof.

Excess Proceeds In the event that there are excess proceeds available in the Project Fund at the end of the construction period, proceeds shall be transferred by the Escrow Agent to the Lessor and applied to the next succeeding lease payment and each lease payment thereafter until fully utilized. Such use of funds will not constitute lease prepayment and will not be subject to administrative fees, charges or prepayment penalties.

UCC Filing The District will not provide a legal description for each District property in connection with this financing. In the event the winning proposer requires this information for the purposes of making a fixture filing pursuant to the applicable provisions of the Uniform Commercial Code, the winning proposer shall obtain such information at its own effort and expense.

Warranties All manufacturers' warranties, expressed or implied with respect to the Equipment acquired shall be assigned by the Lessor to the District.

Annual Appropriation The District's obligation to make lease payments is subject to appropriation each year by the Board of Education of the District.

Non-Funding/Executory Clause Pursuant to the General Municipal Law §109-b, and the Energy Law §9-103, the Lease-Purchase Agreement shall contain an executory clause which shall state that should payments not be

appropriated by the District in any fiscal year; the District will not be obligated to pay the amounts due beyond the end of the last funded fiscal year and no liability on account thereof shall be incurred by the District beyond the amount of such monies. The financing contract is not a general obligation of the District. Neither the full faith and credit nor the taxing powers of the District are pledged to the payment of any amount due or to become due under the financing contract. In the case of a failure to appropriate, the sole security under the Lease shall be the Equipment. Prior to the sale or seizure of such equipment, the District shall be provided adequate written notice, no less than ninety (90) days, to cure any default. Should such a sale or seizure take place there shall be no disruption to the District's operation to the extent possible. Any such sale or seizure must be conducted in conformity with all applicable law, including the New York Uniform Commercial Code.

Financing Documents Upon submission of the proposal and following notification of the award, the prospective Lessor must provide the District with a draft of its proposed financing documents, which will incorporate proposed terms and append sample documents provided with submission. Proposed financing documents and notification of credit approval for the transaction will be due no later than ***November 19, 2026***. All financing documents are subject to modification by District counsel. Closing is subject to successful negotiation and approval of all documents by counsel to the District. The District reserves the right to rescind any award due to failure of successful negotiation of the parties to agree to the terms and conditions thereof and to recover its costs in connection therewith. Closing is subject to final approval by the District Board of Education, by resolution. Unless otherwise provided by a duly adopted resolution by the Board of Education, the prospective Lessor is advised that the Board President is the sole authorized representative of the District for the purpose of signing documents related to this Lease.

Lease Termination Upon termination of a Lease through exercise of Lessee's option to prepay or through payment by Lessee of all Rental Payments and other amounts due with respect to such particular Equipment, Lessor's security interest in such Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may reasonably request to evidence the termination of Lessor's security interest in such Equipment.

Tax Status The Lease shall qualify as a tax-exempt lease financing, that is, the interest component of the Lease will be exempt from Federal, New York State and, where applicable, New York City taxation. The Lease-Purchase Agreement will **not** be designated as "bank qualified" pursuant to Section 265(b)(3) of the Internal Revenue Code. The District will not defend or hold the Lessor harmless from any adverse changes in the tax status of the transaction, after tax yield or cash flows resulting from changes in the Federal or State tax codes or regulations.

Credit Rating Moody's Investors Services, Inc. currently maintains a "Aa2" rating on the District's outstanding general obligation debt. The District will not seek a rating for the Lease.

Binding Authority Each Proposal must be signed by an individual who is legally authorized to contractually bind the proposing firm.

Purchase Price and Certificate The Lessor must submit to the District a certificate (the "Issue Price Certificate"), satisfactory to Bond Counsel, prior to the delivery of the Agreement, which states that the Lessor has purchased the Agreement for its own account and not with a view to distribution or resale and not in the capacity of a bond house, broker or other intermediary, and the price or prices at which such purchase was made, in such form and including such additional information as the District and Bond Counsel shall reasonably require.

Financial Information Links to select credit and project information may be found as follows:

- Link to Energy Performance Contract and Amendment between the District and Honeywell International, Inc. dated August 2026: http://www.capmark.org/RFPs.html
- Link to Official Statement related to the District's $39,510,826 Bond Anticipation Notes -2026 Series A: https://emma.msrb.org/P22016985.pdf
- Link to Budget Information: https://www.chufsd.org/departments/business-office/budget-info/current-year
- Link to FYE 6/30/2026 Audit: https://emma.msrb.org/P11973476.pdf
- Link to FYE 6/30/2025 Audit: https://emma.msrb.org/P11899488.pdf
- Link to FYE 6/30/2024 Audit: https://emma.msrb.org/P11826680.pdf

Evaluation Process
During the evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from proposers, or to allow corrections of error or omissions.

Amendments to RFP
Any verbal information obtained from or statements made by the representative of the District or its designee at the time of examination of the documents or site shall not be construed as, in any way, amending RFP documents or binding upon the District. Only such corrections or addenda that are issued in writing to all proposers shall become a part of the RFP. Any addendum issued during RFP process shall be included in the RFP response and become a part of any subsequent contract agreement.

Legal Requirements
The Lease is required to conform to the laws of the State of New York, including, but not limited to, General Municipal Law, Local Finance Law, Education Law, Energy Law and regulations promulgated by the Commissioner of Education and the Office of the State Comptroller.

Submission Requirements
In addition to submitting a completed **Proposal Response Form** as attached hereto, each proposing firm must include:

1. Examples of its prior experience with three (3) similar size closed lease financings for school districts in New York State;
2. Three (3) references from jurisdictions that your firm has provided lease financing to in the past year in New York State; and
3. Any other information that would be useful in evaluating your financial institution by the District for this transaction.

Proposals are due by **11:00 a.m. on Thursday, November 12, 2026** by e-mail to:

Denise Harrington-Cohen
Assistant Superintendent for Business
Croton-Harmon Union Free School District
Tel: (914) 271-4713 x4227
denise.cohen@chufsd.org

Janet Morley
Senior Vice President
Capital Markets Advisors
Tel: 516-570-0340
jmorley@capmark.org

Questions regarding this RFP may be directed to Janet Morley.

Basis of Award
The District reserves the right, in its sole discretion, to reject any and all proposals, or any part thereof, received in response to this Request for Proposals, to re-solicit for new proposals, to waive formalities, to request additional information from any proposer, and to award and negotiate the terms of the contract with any proposer. The District intends to select the firm whose proposal is most advantageous to the District and meets the District's needs for this lease-purchase agreement, and not necessarily the firm with the lowest cost proposal. In determining which proposal is most advantageous and in the District's best interests, the District will evaluate, among other things, the overall financing cost (inclusive of any interest and fees) to the District, optional redemption provisions, responsiveness of each proposal to the terms of this RFP and applicable law, the terms and conditions of the proposed agreement, experience and reputation of the proposer in the State of New York. The District will not have any liability to any proposer for any costs or expenses incurred in connection with your response to the request for proposals.

All proposals shall be signed by an individual legally authorized to bind the proposing firm and the signer's name shall also be typed or printed to or under the signature together with his/her title or designation.

Following receipt of the completed proposals, tentative notification will be made to the prospective Lessor whose response best meets the District's needs and otherwise appears to meet the basis for award. It is expected that a

formal award will be made by the Board of Education at its December 3, 2026 meeting, subject to and contingent upon final review of the Lease Purchase Agreement and all financing documents by the District's legal counsels. Note that the prospective Lessor must provide the District with a draft of its proposed financing documents, together with notification of credit approval in order for District officials to accept and grant final approval.

Tax Opinion

The successful proposer will be furnished without cost with the opinion as to tax exemption of the law firm of Hawkins Delafield & Wood LLP ("Bond Counsel"). The opinion of Bond Counsel shall contain statements to the effect that, in the opinion of said law firm, under existing statutes and court decision and assuming continuing compliance with certain tax certifications described in the Tax Certificate of the District, (i) the portion of the rental payment designated as and constituting interest paid by District and received by successful proposer during the term of the Lease is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); and (ii) such interest is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest paid by the District is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The Tax Certificate of the District, which will be delivered concurrently with the delivery of the Lease will contain provisions and procedures relating to compliance with applicable requirements of the Code.

Opinion of School Attorney

At closing, the District shall furnish a validity opinion of Keane & Beane, P.C. ("School Attorney"), dated the closing date, including a statement to the effect that to the best of the School Attorney's knowledge and belief there is no controversy or litigation of any nature pending or threatened to restrain or enjoin the execution or delivery of the installment financing agreement.

Summary of Estimated Dates

RFP sent to providers:	November 4, 2026
Proposal and Response Form Due:	November 12, 2026 (by 11:00 a.m.)
Selected Lessor Tentatively Approved:	November 12, 2026*
Credit Approval Completed:	November 19, 2026
Draft Documents Delivered:	November 19, 2026
District Board Meeting Date:	December 3, 2026 Lease approved
Closing of Lease:	December 17, 2026

*Subject to formal award by members of the Board of Education on December 3, 2026.

The District reserves the right to modify these dates.

Thank you for your interest in the Croton-Harmon Schools.

END OF RFP

PROPOSAL RESPONSE FORM

November 12, 2026

Ladies and Gentlemen:

In response to Croton-Harmon Union Free School District's (the "District") Request for Proposals ("RFP"), the undersigned, an authorized representative of _____ commits said firm to enter into a Lease-Purchase Agreement to provide the required refinancing of the project cost including equipment provided to the District by Honeywell International, Inc. under an Energy Performance Contract. We understand that this Lease-Purchase Agreement is subject to the approval of the District's Board of Education. The submission of this Response Form indicates that we have read the District's RFP and are fully informed as to the extent and character of this request and we can satisfactorily comply with all specifications of the RFP.

We understand the District will repay our lease in periodic installments, including interest and all financing costs. We understand the lease-purchase shall be funded following the approval of the District's Board of Education.

Our proposal, the terms of which are good through and including December 31, 2026 is as follows:

The principal amount of the lease will not exceed: $3,500,000

Lease Maturity will be: December 17, 2042

The interest rate on this loan will be: _____%

The index used to establish this interest rate is: _____

The margin added to the index to establish this interest rate is: _____

Prepayment Terms: _____

Lease payments will be payable on: _____

Other required fees, if any (please explain): $ _____

_____

Proposing Firm:_____

Contact: _____

Address: _____

_____

Tel.: _____

E-mail: _____

Proposer Attachments: Sample Lease and Escrow Documents

CROTON-HARMON UFSD

6240 INVESTMENTS

I. Scope

The Croton-Harmon Union Free School District Investment Program, as authorized by Croton-Harmon Board of Education, applies to all monies and other financial resources available for investment on its own behalf or on behalf of any other entity or individual. The Board's intent is for the investment policy to be in full compliance with the Chapter 708 of the Laws of 1992.

II. Objectives

The primary objectives of the Croton-Harmon Union Free School District Investment Policy are, in priority order,

1. to conform with all applicable federal, state and other legal requirements (legal);
2. to adequately safeguard principal (safety);
3. to provide sufficient liquidity to meet all operating requirements (liquidity); and
4. to obtain a reasonable rate of return (yield).

III. Delegation of Authority

The Board's responsibility for administration of the Investment Program is delegated to the Treasurer/Deputy Treasurer of the Board who shall establish written procedures for the operation of the Investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

IV. Prudence

All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investments shall be made with judgment and care, under circumstances then prevailing, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

V. Diversification

It is the policy of the Croton-Harmon Union Free School District to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

VI. Designation of Depositories

The banks and trust companies authorized for the deposit of monies are reviewed annually and approved by the Board of Education at its annual reorganization meeting.

VII. Collateralizing of Deposits

In accordance with the provisions of General Municipal Law §10, all deposits of the Croton-Harmon Union Free School District, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by a pledge of "eligible securities" with an aggregate "market value" of 102% of the aggregate amount of deposits from the following categories:

1. Obligations issued or fully insured or guaranteed as to the payment of principal and interest by the United States of America, an agency thereof or a United States government sponsored corporation.
2. Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the market value of the obligation that represents the amount of the insurance or guaranty.
3. Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of such state or obligations of any public benefit corporation which under a specific state statute may be accepted as security for deposit of public monies.
4. Such other instruments of securities as may, from time to time, be legally permissible collateral for deposit of both New York School District and municipal corporation monies.

VIII. Safekeeping and Collateralization

Eligible securities used for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure Croton-Harmon Union Free School District deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the Croton-Harmon Union Free School District to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the Croton-Harmon Union Free School District, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Croton-Harmon Union Free School District or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the Croton-Harmon Union Free School District, will be kept separate and apart from the general assets of the custodial bank or trust company

and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Croton-Harmon Union Free School District a perfected interest in the securities.

IX. Permitted Investments

As authorized by General Municipal Law §11, the Croton-Harmon Union Free School District authorizes the Treasurer/Deputy Treasurer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit accounts;
- Certificates of deposit;
- Obligations of the United States of America;
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- Obligations issued pursuant to LFL §24.00or 25.00(with approval of the State Comptroller) by any municipality, school district or district corporation other than the Croton-Harmon Union Free School District;
- Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments;
- Repurchase transaction (Repos) guaranteed by obligations of the United States or the State of New York;
- Obligations of the Croton-Harmon Union Free School District, but only with any moneys in a reserve fund established pursuant to GML §§6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m, or 6-n;
- Such other investments as may, from time to time, be legally permissible investments for both school districts and municipal corporations in the State of New York.

Investments may be made either directly from an authorized trading partner, or by participation in a cooperative investment agreement with other authorized municipal corporations pursuant to General Municipal Law Article 5-Gand in accordance with General Municipal Law Article 3-A.

All investment obligations shall be payable or redeemable at the option of the Croton-Harmon Union Free School District within such times as the proceeds will be needed to meet expenditures for purposes for and which moneys were provided and, in the case

of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Croton-Harmon Union Free School District.

X. Authorized Financial Institutions and Dealers

The Croton-Harmon Union Free School District shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the Croton-Harmon Union Free School District conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Croton-Harmon Union Free School District. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Treasurer/Deputy Treasurer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least monthly.

XI. Purchase of Investments

The Treasurer/Deputy Treasurer is authorized to contract for the purchase of investments:

1. Directly, including through a repurchase agreement, from an authorized trading partner.
2. By participation in a cooperative investment program with another authorized governmental entity (or any number of such entities) pursuant to Opinion No. 88-46 (e.g., the Cooperative Liquid Assets Securities System or "CLASS")...
3. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the Croton-Harmon Union Free School District, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Croton-Harmon Union Free School District by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law §10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Croton-Harmon Union Free School District, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all

provisions necessary to provide the Croton-Harmon Union Free School District a perfected interest in the securities.

XII. Repurchase Agreements

Repurchase agreements are authorized subject to the following restrictions:

- All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealer
- Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- No substitution of securities will be allowed.
- The custodian shall be a party other than the trading partner.

Ref:

Education Law §§1604-a; 1723-a; 3651; 3652

Local Finance Law § 24.00, 25.00, 165.00

General Municipal Law §§6-d; 6-j; 6-l-n; 6-p; 6-r; 10; 11; 39; Article 3-A; Article 5-G

Adoption date: April 16, 1996

Revised: June 3, 2021