

## Independent Registered Municipal Advisor Disclosure Certificate

By publicly posting the following written disclosure, the City intends that market participants receive and use it for purposes of the IRMA Exemption.

**April 1, 2015**

To all potential underwriters and placement agents:

The City of Palo Alto (the "City") recognizes that the U.S. Securities and Exchange Commission ("SEC") has issued rules pertaining to the registration of municipal advisors (the "Municipal Advisor Rule"), effective July 1, 2014. The Municipal Advisor Rule, in general, provides that any person or entity that provides "advice" (a recommendation) to us related to the issuance of municipal securities and municipal financial products that are particularized to our specific needs will be our Municipal Advisor and owe us a fiduciary duty, unless they meet certain exemptions.

Among several exemptions to the Municipal Advisor Rule, however, underwriters and placement agents are permitted to provide us advice (recommendations) and NOT be considered our Municipal Advisor if we are represented and rely upon the advice (recommendations) of an independent registered municipal advisor ("IRMA") with respect to the same transactions (the "IRMA Exemption").

We are hereby disclosing and notifying all potential underwriters and placement agents of our desire and intent to continue to seek their advice (recommendations) on the issuance of municipal securities and municipal financial products that are particularized to our specific needs. We further acknowledge and disclose to you that [Public Financial Management, Inc.](#) is our IRMA, and that we are represented by and will rely upon the advice (recommendations) of Robert (Bob) Gamble as our general Municipal Advisor. As our Municipal Advisor, Robert (Bob) Gamble will assist us in evaluating any advice (recommendations) made by underwriters or placement agents, including any advice regarding any matters you bring to our attention. We further inform you that Public Financial Management, Inc. has agreed to be our IRMA on any transaction that we participate in as an issuer and Public Financial Management, Inc. is aware that we will rely on their advice.

Proposal review by the Municipal Advisor will be at the direction of the City and subject to the professional judgment of the City and Public Financial Management, Inc. The City, in its sole discretion, may choose which proposals will be reviewed, and may choose to request the Municipal Advisor to review or not review particular proposals. By submitting a proposal, a financial services firm acknowledges it has no recourse against the City or Public Financial Management, Inc. related to any action or inaction with respect to evaluating, commenting on, or responding to proposal received.

Accordingly, we hereby further acknowledge and agree that any underwriter or placement agent providing advice (recommendations) to us pursuant to the IRMA Exemption will NOT be our Municipal Advisor and will NOT be subject to a fiduciary duty to us. All underwriters and placement agents who desire to use the IRMA exemption shall provide written disclosures as required by the Municipal Advisor Rule with a copy to the City and Public Financial Management, Inc. prior to providing advice (recommendations).

This certificate may be relied upon until the date on which it has been withdrawn by us.