SEAFORD UNION FREE SCHOOL DISTRICT
NASSAU COUNTY, NEW YORK

REQUEST FOR PROPOSALS
TO FINANCE AN ENERGY PERFORMANCE LEASE PURCHASE AGREEMENT

NOT BANK QUALIFIED

Overview

The Seaford Union Free School District, Nassau 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 (the "Performance Contract") between the District and Honeywell Building Solutions ("Honeywell"). The Performance Contract with Honeywell was executed on August 4, 2026. A formal amendment to the Performance Contract is expected to be executed by the parties subject to the approval of the formal amendment by the District's Board of Education and NYSED. The District has not yet received approval from NYSED for the project. In addition, a separate interconnection review process of the photovoltaic energy conservation measures included in the energy performance project must be completed by the electrical utility, PSEG. This review process may result in modifications to the scope of the project and/or the cost. PSEG's interconnection review process has not yet been completed. To date, PSEG approvals have been received for the Seaford Harbor School and the Seaford Manor School. The Seaford Middle School and High School remain under review.

The District's building aid ratio is approximately 54.3%. The District seeks competitive proposals for the $15,375,000 lease-purchase with a final maturity of December 1, 2041.

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: Seaford High School, Seaford Middle School, Seaford Harbor School and Seaford Manor School. The energy conservation measures and related work are attached to this RFP.

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 standard 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, and no terms shall be binding on the District until final approval by 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 in connection with this lease.

Amount

The amount to be financed under the Lease is expected to be $15,375,000. 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, costs, or expenses of Lessor related to Lessor's proposal, negotiations, closing, documentation or other activities related to this RFP or the proposed transaction. 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 1, 2041 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 thirty (30) days written notice to the Lessor without incurring any penalties and/or additional expenses, costs or fees. The Proposal must disclose additional fees and terms, if any, that are required upon the execution of 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 or premium at any time, with no additional fees or charges of any kind. It is expected that the District will be eligible for a grant or rebate for a portion of the project and may receive additional rebates, incentives, grants, or credits. The District retains the ability to make an additional one time prepayment of the loan on account of grants, rebates or other funds received on account of the project, without incurring any penalties and/or additional expenses, costs or fees on such amounts. The determination to exercise the prepayment option described herein shall be at the discretion of the District. After such prepayment, the loan shall be re-amortized based on the outstanding principal amount.**

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 (with the exception of the December 1, 2027 payment, which is interest only), shall result in substantially level or declining annual debt service (without taking into account projected State aid or annual energy savings). Debt service 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 3, 2026 when developing an amortization schedule. Thereafter, debt service payments will be made annually in arrears on December 1 with the first debt service payment to be interest only due on December 1, 2027 and the first principal and interest payment to be on December 1, 2028. Thereafter, annual lease payments will be both principal and interest. 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 or around December 3, 2026 and mature on December 1, 2041.

Escrow: Upon closing, it is anticipated that lease proceeds will be deposited and collateralized in an interest bearing escrow account to be utilized over the course of project construction (the "Project Fund"). The District shall not be responsible for any costs, fees, expenses or charges of any kind associated with establishment, maintenance, administration, transfer or termination of escrow account. The escrow provider must be a bank or trust company located and authorized to do business in New York State (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 the 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**. 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. 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. All funds on deposit with the Escrow Agent must be collateralized in accordance with the above referenced provisions.

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. All monies held in the escrow funds are monies of the District and shall not be subject to levy, attachment, or lien by or for the benefit of the escrow agent or Lessor or creditor of either. All interest earnings on the funds deposited into the escrow account shall accrue to the benefit of the District

If the escrow agent intends to utilize a third party custodian for the collateralization of the escrow account, the custodian must be duly organized and existing under the laws of the State of New York. The records of the custodian selected, must, at all times, show the interest of the District in the eligible securities and collateral.

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 or any other fees or charges.

Collateral: First security interest in the Equipment only as follows. Neither the escrow agent nor the Lessor shall have an interest in the Purchase Funds, the escrow account or any investments made on behalf of the Lessee.

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 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 of any default, and 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. Any such sale or seizure must be conducted in conformity with all applicable laws, 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 18, 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, and the District shall have no liability or obligation if closing does not occur due to failure to reach agreement on documentation or obtain necessary approvals. 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 of the Board of Education, the prospective Lessor is advised that the President of the Board of Education is the sole authorized representative of the District for the purpose of signing financing documents.

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 "a qualified tax-exempt obligation" pursuant to Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "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 Service has assigned a rating of "Aa2" to the outstanding bonds of the District.

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 the District's Bond Counsel, prior to the delivery of the Agreement, assuming the Lessor does not reoffer the Agreement to the general public, 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 its Bond Counsel shall reasonably require.

Financial Information: The audited financial statements for the FYE June 30, 2022 through and including June 30, 2026 may be found on Munistat's website: www.munistat.com.

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 lease financings for school districts in New York State;
2. Three 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 favor the use of your financial institution by the District.

Proposals are due by 3:00 p.m. on November 18, 2026 by e-mail to:

Tom Cartwright, Vice President
Munistat Services, Inc
12 Roosevelt Avenue
Port Jefferson Station, NY 11776
Tel: (631) 331-8888
tcartwright@munistat.com

With a copy to:

Rhonda Meserole, CPA
Seaford UFSD
Attn: Assistant Superintendent for Business & Operations
1600 Washington Avenue
Seaford, NY 11783

Questions regarding this RFP may be directed to Tom Cartwright.

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 or 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, and experience and reputation of the proposer in the State of New York. The District shall not have any liability to any proposer for any costs, expenses, losses or damages of any nature incurred in connection with preparing and submitting a response to this 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.

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.

Following receipt of the completed proposals, tentative notification may be made to the prospective Lessor whose response best meets the District's needs, in the District's sole discretion 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 a meeting date to be scheduled by the Board of Education, 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 the District and received by successful proposer during the term of the leaser is excluded from successful proposer's gross income for federal income tax purposes under Section 103 of the Code; and (ii) such interest component is not treated as a preference item in calculating the alternative minimum tax under the Code; however, such interest component 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 Ingerman Smith LLP ("School Attorney"), dated the closing date, including a statement to the effect that 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, to the best of the School Attorney's knowledge and based on representations made by the District.

Summary of Estimated Dates

RFP sent to providers:	November 10, 2026
Proposal Due:	November 18, 2026 (by 3:00 p.m.)
Selected Lessor Tentatively Approved:	November 18, 2026*
Board of Education Meeting to Authorize:	TBD
Closing of Lease:	December 3, 2026

*Subject to formal award by Trustees of the Board of Education at the meeting to be determined. The District reserves the right to modify these dates.

Thank you for your interest in the Seaford Union Free School District.

END OF RFP

PROPOSAL RESPONSE FORM

Ladies and Gentlemen: November 18, 2026

In response to Seaford 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 Building Solutions 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 loan 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 be: $15,375,000

Lease Maturity will be: December 1, 2041

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

APPENDIX A

FINANCIAL INFORMATION

APPENDIX B

ENERGY PERFORMANCE AGREEMENT