



CITY OF STOCKTON

ADMINISTRATIVE SERVICES

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CITY OF STOCKTON

NOTICE OF EXEMPTION RELATED TO SECURITIES AND EXCHANGE COMMISSION INDEPENDENT REGISTERED MUNICIPAL ADVISOR

*(Intended for receipt and use by market participants for purposes of the IRMA
Exemption)*

To: Broker-Dealers / Underwriters / Placement Agents / Municipal Advisors (the “Market Participants”) This notice acknowledges that the City of Stockton (the “City”) is aware of the Securities Exchange Act of 1934 (Rule 15c1-6 et seq.) effective July 1, 2014 and the three exemptions contained therein: (1) the “RFP Exemption,” (2) the Independent Registered Municipal Advisor (“IRMA”) Exemption, or (3) the “Underwriter Exemption.” The City is posting this information with the intent that Market Participants may provide advice to the City regarding municipal financial products or the issuance of municipal securities and so that Market Participants may utilize at least one of the three exemptions.

Issuance of Municipal Securities

We are hereby disclosing and notifying all potential Market Participants 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 disclose to you that Del Rio Advisors, LLC is our IRMA, and that we are represented by and will rely upon the advice (recommendations) of Del Rio Advisors, LLC regarding municipal financial products and the issuance of municipal securities. As our Municipal Advisor, Del Rio Advisors, LLC will assist us in evaluating any advice (recommendations) made by Market Participants, including any advice regarding any matters you bring to our attention.

We further inform you that Del Rio Advisors, LLC, has agreed to be our IRMA on any transaction that we participate in as an issuer and Del Rio Advisors, LLC is aware that we will rely on their advice. In these cases, the City hereby represents that it considers its discussions with broker-dealers, underwriters and other municipal advisors exempt under the IRMA Exemption. Further, the City does not consider discussions of a general nature that do not include recommendations to be advice. Except for regulatory mandated communications between Market Participants and the City’s IRMA, Market Participants should not speak directly with or send documents directly to Del Rio Advisors, LLC unless specifically directed to do so by the City.

Additionally, the City inquired with Del Rio Advisors, LLC related to "Associated Individuals", as defined in SEC Staff's FAQ No. 3.6 and received confirmation that no Associated Individual is or has been employed as an Associated Individual by a broker-dealer or underwriting firm within the last two (2) years. The City is not responsible for updating information related to Associated Individuals beyond the date of this notice.

Accordingly, we hereby further acknowledge and agree that any Market Participant 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 Market Participants 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 Del Rio Advisors, LLC prior to providing advice (recommendations).

Review of proposals by the Municipal Advisor will be at the direction of the City and subject to the professional judgment of the City and Del Rio Advisors, LLC. 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 certain proposals. By submitting a proposal, a Market Participant acknowledges it has no recourse against the City or Del Rio Advisors, LLC related to any action or inaction with respect to evaluating, commenting on, or responding to any proposal received.

Eligible Underwriters:

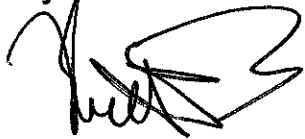
1. In March 2017, the City undertook a Request for Proposals ("RFP") process to establish a pool of eligible underwriters for purposes of selecting one or more underwriters at such future time the City may intend to issue municipal securities. The City sent the RFPs to more than three firms. In July 2017, the RFP process resulted in the selection of the following firms to comprise the pool of qualified underwriters: 1) Brandis Tallman LLC, 2) Citigroup Global Markets Inc., 3) Hilltop Securities Inc., (4) RBC Capital Markets, LLC and (5) Stifel, Nicolaus & Company Inc. In these cases, the City represents that it specifically considers its discussions with these underwriters exempt under the "RFP Exemption".
2. Underwriters selected from the pool to provide services related to a specific transaction will be subject to providing an engagement and disclosure letter. The engagement and disclosure letter is required to contain language necessary to address the requirements of Municipal Securities Rulemaking Board (the "MSRB") Rule G-17. Upon selection and execution of the engagement and disclosure letter, the City represents that it considers its communications with such underwriters exempt under the "Underwriter Exemption".

Eligible Municipal Advisors:

1. In April 2017, the City undertook a Request for Proposals ("RFP") process to establish a pool of eligible municipal advisors for purposes of selecting one or more municipal advisors at such future time the City may intend to issue municipal securities. In July 2017, the RFP process resulted in the selection of the following firms to comprise the pool of qualified municipal advisors: 1) Columbia Capital Management, LLC, (2) Fieldman, Rolapp & Associates, Inc. (3) KNN Public Finance, LLC, and (4) Del Rio Advisors, LLC.
2. Municipal advisors selected from the pool to provide services related to a specific transaction will be subject to providing an engagement and disclosure letter. The engagement and disclosure letter is required to contain language necessary to address the requirements of the Municipal Securities Rulemaking Board. Upon selection and execution of the engagement and disclosure letter, the City represents that it considers its communications with such municipal advisors exempt under the "IRMA Exemption".

This notice is provided solely in connection with the SEC's Municipal Advisor Rules and shall remain in effect until amended or rescinded. This notice should not be relied upon for any other purposes or by any other persons.

City of Stockton

A handwritten signature in black ink, appearing to read "Matt Paulin", written over a faint, illegible stamp or background.

MATT PAULIN
CHIEF FINANCIAL OFFICER