

INVITATION TO TENDER FOR PURCHASE
made by the
SAN DIEGO UNIFIED SCHOOL DISTRICT

to the Bondowners described herein of all or any portion of the maturities
listed on pages (i), (ii) and (iii) herein of the

San Diego Unified School District 2020 General Obligation Refunding Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series SR-2)
(Federally Taxable)

San Diego Unified School District 2016 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series I)

San Diego Unified School District 2017 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series K-2)

THIS INVITATION TO TENDER FOR PURCHASE WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME
ON NOVEMBER 13, 2023 UNLESS EARLIER TERMINATED OR EXTENDED

The San Diego Unified School District (the “**District**”) invites the beneficial owners (the “**Bondowners**”) of the bonds listed and maturing on the dates set forth in the tables on page (i) through and including (iii) (the “**Target Bonds**”) to sell their Target Bonds to the District for payment in cash at the applicable Purchase Prices (as defined herein) set forth in the Pricing Notice in the form attached hereto as Appendix A, which is expected to be dated on or about Monday, November 6, 2023 (as it may be amended or supplemented, the “**Pricing Notice**”), plus, in the case of purchased Taxable Target Bonds (as defined below), accrued interest up to but not including the Settlement Date (as defined herein) (“**Accrued Interest**”), all on the terms and conditions as set forth in this invitation (as supplemented and amended, the “**Invitation**”).

Purchase prices will be based on the following:

- (i) With respect to each of the federally taxable bonds (the “**Taxable Target Bonds**”) listed on page (i) of this Invitation, the Purchase Prices will be based on a fixed spread as determined in the Pricing Notice to be added to the yields on certain benchmark United States Treasury Securities (each a “**Benchmark Treasury Security**”); and
- (ii) With respect to each of the federally tax-exempt bonds (the “**Tax-Exempt Target Bonds**”) listed on pages (ii) and (iii) of this Invitation, the Purchase Prices will be set forth in the Pricing Notice.

Should the District determine to purchase any Target Bonds of a CUSIP, there will be a single purchase price (each a “**Purchase Price**” and collectively, the “**Purchase Prices**”) for the Target Bonds of such CUSIP at which all Target Bonds of such CUSIP will be purchased. The purchase of any Target Bonds pursuant to the Invitation is contingent on the issuance of the San Diego Unified School District 2023 General Obligation Refunding Bonds (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series SR-3A) (the “**2023 Refunding Bonds**”), and on the District determining in its reasonable discretion that it will receive sufficient economic benefit as a result of market conditions, expected or actual level of participation by holders of the Target Bonds, or any other factors not within the sole control of the District, all on terms and conditions that are in the District’s best interest, and is also subject to the terms of this Invitation and certain other conditions as described herein, including the rights of the District to terminate this Invitation pursuant to Section 13 (collectively, the “**Financing Conditions**”). In addition, the District may elect to purchase less than all of the Target Bonds in order to maximize the economic benefits of the transaction. The 2023 Refunding Bonds will be issued in the manner, on the terms and with the security therefor to be described in the Preliminary Official Statement dated October 30, 2023 attached hereto as Appendix B (as may be amended and supplemented) (the “**2023 Refunding Bonds POS**”). If the 2023 Refunding Bonds are issued, the source of funds to pay the purchase price of the Target Bonds validly tendered and accepted for purchase will be a portion of the net proceeds of the 2023 Refunding Bonds. Accrued Interest will be funded by legally available funds held by, or on behalf of, the District.

Any purchase of the Target Bonds pursuant to this Invitation is part of a plan by the District to refund a portion of the District’s outstanding indebtedness, as described in the 2023 Refunding Bonds POS. Should the District accept a portion of tendered Target Bonds of a CUSIP, such tendered Target Bonds will be accepted on a pro rata basis as described under the caption “Acceptance of Target Bonds for Purchase” of the Invitation. Bondowners of the Target Bonds who do not offer their Target Bonds for purchase pursuant to this Invitation and Bondowners of the Target Bonds whose tender offers are rejected by the District will continue to hold their interest in such Target Bonds. **It is anticipated that all of the Target Bonds not purchased pursuant to this Invitation will remain outstanding, as described under the caption “PLAN OF REFUNDING” in the 2023 Refunding Bonds POS. The District also reserves the right in the future to purchase and/or refund any remaining portion of outstanding Target Bonds.**

To make an informed decision as to whether, and how, to tender the Target Bonds for purchase pursuant to the Invitation, Bondowners must read this Invitation carefully, including the 2023 Refunding Bonds POS, and the Pricing Notice and consult their broker, account executive, financial advisor, attorney or other professionals. **This Invitation, the 2023 Refunding Bonds POS and the Pricing Notice, collectively, shall constitute an invitation to Bondowners to tender their Target Bonds for purchase.**

Any Bondowner wishing to tender their Target Bonds for purchase pursuant to this Invitation should follow the procedures more fully described herein. Bondowners and their brokers and account executives with questions about this Invitation should contact the Dealer Manager or the Information Agent and Tender Agent.

Key Dates and Times	
<i>All of these dates and times are subject to change. All times are New York City time.</i>	
<i>Notices of changes will be sent in the manner provided for in this Invitation.</i>	
Launch Date and 2023 Refunding Bonds POS Posting	October 30, 2023
Pricing Notice.....	November 6, 2023
Expiration Date.....	November 13, 2023 at 5:00 p.m.
Taxable Preliminary Acceptance Date	November 14, 2023
Determination of Taxable Target Bonds Purchase Prices.....	November 15, 2023 at approximately 10:00 a.m.
Notice of Taxable Target Bonds Purchase Price.....	November 15, 2023
Final Acceptance Date and Final Acceptance Notice.....	November 16, 2023
Settlement Date	November 29, 2023

The Information Agent and Tender Agent for this Invitation is:

Globic Advisors
 Attention: Robert Stevens
 1-212-227-9622
 rstevens@globic.com

Document Website: www.globic.com/sdusd

The Dealer Manager for this Invitation is:

Jefferies LLC
 Contact your Jefferies LLC representative or
 Municipal Syndicate Desk
 (800) 567-8567
muni_underwriting@jefferies.com

**TAXABLE TARGET BONDS
SUBJECT TO INVITATION TO TENDER FOR PURCHASE
(the “Taxable Target Bonds”)⁽¹⁾**

**San Diego Unified School District
2020 General Obligation Refunding Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds)
(Election of 2008, Series SR-2)
(Federally Taxable)**

**Base CUSIP: 797356
Par Call Date: January 1, 2030⁽²⁾**

CUSIP No. ⁽³⁾	Maturity Date (July 1)	Interest Rate	Par Amount Outstanding	Benchmark Treasury Security ⁽⁴⁾	Indicative Fixed Spread (Basis Points) ⁽⁵⁾
AQ5	2031	2.400%	\$1,950,000	10-Year	+15.0
AR3	2032	2.500	6,675,000	10-Year	+20.0
AS1	2033	2.600	7,525,000	10-Year	+25.0
AT9	2034	2.650	13,755,000	10-Year	+35.0
AU6	2035	2.700	13,825,000	10-Year	+46.0
AV4	2036	2.750	14,985,000	10-Year	+53.0
AW2	2037	2.790	16,220,000	10-Year	+59.0
AX0	2038	2.840	17,540,000	10-Year	+66.0

⁽¹⁾ See Section 4 herein for the calculation of the purchase price.

⁽²⁾ First optional redemption date is January 1, 2030. However, the Taxable Target Bonds are also subject to optional redemption prior to maturity, at the option of the District, with a Make-Whole Premium (as set forth in documents pursuant to which the Taxable Target Bonds were issued).

⁽³⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company and are included solely for the convenience of the holders of the Target Bonds. None of the District, the Dealer Manager, the Information Agent and Tender Agent or their agents or counsel assume responsibility for the accuracy of such numbers.

⁽⁴⁾ Each Benchmark Treasury Security will be the most recently auctioned “on-the-run” United States Treasury Security for the maturity indicated as of date and time that the Purchase Price for the Target Bonds is set, currently expected to be November 15, 2023. The yield on each Benchmark Treasury Security to be used in establishing the Purchase Price for the Taxable Target Bonds will equal the bid-side yield of the applicable Benchmark Treasury Security as quoted on the Bloomberg Bond Trader FIT1 series of pages at approximately 10:00 a.m., New York City time, on November 15, 2023.

⁽⁵⁾ Indicative Fixed Spreads are preliminary and subject to change. Fixed Spreads will be provided in the Pricing Notice.

**TAX-EXEMPT TARGET BONDS
SUBJECT TO INVITATION TO TENDER FOR PURCHASE
(the “Tax-Exempt Target Bonds”)**

**San Diego Unified School District
2016 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds)
(Election of 2008, Series I)**

**Base CUSIP: 797355
Capital Appreciation Bonds
Accreted Value Call Date: July 1, 2025**

CUSIP No. ⁽¹⁾	Maturity Date (July 1)	Accretion Rate	Initial Principal Amount	Accreted Value at Maturity	Indicative Purchase Price as a Percentage of Accreted Value at Maturity ⁽²⁾
3X0	2032	3.850%	\$4,313,830.70	\$8,090,000	69.504
3Y8	2033	3.910	2,052,400.80	4,040,000	66.785
3Z5	2034	3.990	21,606,204.95	44,855,000	63.182
4A9	2035	4.040	14,442,258.70	31,490,000	59.403
4B7	2036	4.090	11,669,420.00	26,750,000	55.504
4C5	2037	4.140	9,020,608.00	21,760,000	51.894
4D3	2038	4.170	6,535,954.80	16,535,000	48.662
4E1	2039	4.190	14,756,932.60	39,085,000	45.950

[Additional Tax-Exempt Target Bonds listed on the following page]

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company and are included solely for the convenience of the holders of the Target Bonds. None of the District, the Dealer Manager, the Information Agent and Tender Agent or their agents or counsel assume responsibility for the accuracy of such numbers.

⁽²⁾ Indicative Purchase Prices are preliminary and subject to change. Purchase Prices will be provided in the Pricing Notice.

**San Diego Unified School District
2017 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds)
(Election of 2008, Series K-2)**

**Base CUSIP: 797355
Capital Appreciation Bonds
Accreted Value Call Date: July 1, 2027**

CUSIP No.⁽¹⁾	Maturity Date (July 1)	Accretion Rate	Initial Principal Amount	Accreted Value at Maturity	Indicative Purchase Price as a Percentage of Accreted Value at Maturity⁽²⁾
6N9	2031	3.510%	\$8,467,815.70	\$13,570,000	72.127
6P4	2032	3.610	6,740,291.40	11,345,000	69.350
6Q2	2033	3.710	7,333,504.50	12,990,000	66.825
6R0	2034	3.770	5,941,262.25	11,025,000	63.228
6S8	2035	3.820	6,358,871.40	12,355,000	59.451
6T6	2036	3.870	5,399,424.60	10,995,000	55.554
6U3	2037	3.900	5,706,935.50	12,145,000	51.950
6X7	2040	3.950	2,951,035.70	7,130,000	43.353
6Y5	2041	3.960	3,849,787.55	9,695,000	40.811
6Z2	2042	3.970	5,683,028.00	14,920,000	38.383

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company and are included solely for the convenience of the holders of the Target Bonds. None of the District, the Dealer Manager, the Information Agent and Tender Agent or their agents or counsel assume responsibility for the accuracy of such numbers.

⁽²⁾ Indicative Purchase Prices are preliminary and subject to change. Purchase Prices will be provided in the Pricing Notice.

IMPORTANT INFORMATION

This Invitation and other information with respect to the Invitation are available from the Dealer Manager and the Information Agent and Tender Agent at www.globic.com/sdusd. Bondowners wishing to tender their Target Bonds for purchase pursuant to the Invitation should follow the procedures more fully described herein. The District may cancel, amend or otherwise modify or waive any terms or conditions of this Invitation as described herein. The obligation of the District to accept offered Target Bonds or to purchase the Target Bonds offered and accepted for purchase is subject to the conditions set forth herein, including the Financing Conditions. The District further reserves the right to accept nonconforming offers of Target Bonds or waive irregularities in any offer of Target Bonds. The District reserves the right to make a future tender invitation for bonds at prices different than the purchase prices described herein. The District will have no obligation to purchase the Target Bonds tendered pursuant to the Invitation. The District further reserves the right to waive any irregularities or defects in any tendered bonds received.

*The District also reserves the right in the future to purchase and/or refund any remaining portion of outstanding Target Bonds. The Tax-Exempt Target Bonds are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after the respective first optional redemption date indicated on pages (ii) and (iii) of this Invitation, at a redemption price equal to the stated accreted value of the Tax-Exempt Target Bonds called for redemption as of the date fixed for redemption, without premium, and the Taxable Target Bonds are subject to redemption in whole or in part, at the option of the District, from any source of available funds, as a whole or in part on any date prior to January 1, 2030, at a redemption price equal to 100% of the principal amount of such Taxable Target Bonds to be redeemed plus a Make-Whole Premium (as set forth in documents pursuant to which the Taxable Target Bonds were issued), together with accrued interest to the date fixed for redemption, without premium. **Further details concerning the District's debt refunding plan is contained in the 2023 Refunding Bonds POS.***

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS INVITATION OR PASSED UPON THE FAIRNESS OR MERITS OF THIS INVITATION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INVITATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Invitation is not being made to, and the Target Bonds tendered for purchase in response to this Invitation will not be accepted from or on behalf of, Bondowners in any jurisdiction in which the Invitation, tendering the Target Bonds or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions whose laws require the Invitation to be made through a licensed or registered broker or dealer, the Invitation is being made on behalf of the District by the Dealer Manager.

The District is not recommending to any Bondowner whether to tender its Target Bonds for purchase in connection with the Invitation. Each Bondowner must make these decisions and should read this Invitation and the 2023 Refunding Bonds POS in their entirety and consult with its broker-dealer, financial, legal, accounting, tax and other advisors in making these decisions.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Invitation and, if given or made, such information or representation may not be relied upon as having been authorized by the District.

The delivery of this Invitation shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or materials delivered herewith or in the affairs of the District since the date hereof.

This Invitation contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Invitation and other materials referred to or incorporated herein, the words “estimate,” “anticipate,” “forecast,” “project,” “intend,” “propose,” “plan,” “expect” and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

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to the Bondowners described herein of all or any portion of the maturities
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San Diego Unified School District 2020 General Obligation Refunding Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series SR-2)
(Federally Taxable)

San Diego Unified School District 2016 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series I)

San Diego Unified School District 2017 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series K-2)

1. Introduction

The San Diego Unified School District (the “**District**”) invites the beneficial owners (the “**Bondowners**”) of the bonds listed and maturing on the dates set forth in the tables on page (i) through and including (iii) (the “**Target Bonds**”) to sell their Target Bonds to the District for payment in cash at the applicable Purchase Prices (as defined herein) set forth in the Pricing Notice in the form attached hereto as Appendix A, which is expected to be dated on or about Monday, November 6, 2023 (as it may be amended or supplemented, the “**Pricing Notice**”), plus, in the case of purchased Taxable Target Bonds (as defined below), accrued interest up to but not including the Settlement Date (as defined herein) (“**Accrued Interest**”), all on the terms and conditions as set forth in this invitation (as supplemented and amended, the “**Invitation**”).

Purchase prices will be based on the following:

(i) With respect to each of the federally taxable bonds (the “**Taxable Target Bonds**”) listed on page (i) of this Invitation, the Purchase Prices will be based on a fixed spread as determined in the Pricing Notice to be added to the yields on certain benchmark United States Treasury Securities (each a “**Benchmark Treasury Security**”); and

(ii) With respect to each of the federally tax-exempt bonds (the “**Tax-Exempt Target Bonds**”) listed on pages (ii) and (iii) of this Invitation, the Purchase Prices will be set forth in the Pricing Notice.

Should the District determine to purchase any Target Bonds of a CUSIP, there will be a single purchase price (each a “**Purchase Price**” and collectively, the “**Purchase Prices**”) for the Target Bonds of such CUSIP at which all Target Bonds of such CUSIP will be purchased. The purchase of any Target Bonds pursuant to the Invitation is contingent on the issuance of the San Diego Unified School District 2023 General Obligation Refunding Bonds (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series SR-3A) (the “**2023 Refunding Bonds**”) on terms and conditions reasonably satisfactory to the District, and is also subject to the terms of this Invitation and certain other conditions as described herein, including the rights of the District to terminate this Invitation pursuant to Section 13 (collectively, the “**Financing Conditions**”). In addition, the District may elect to purchase less than all of the Target Bonds in order to maximize the economic benefits of the transaction. The 2023 Refunding Bonds will be issued in the manner, on the terms and with the security therefor to be described in the

Preliminary Official Statement dated October 30, 2023 attached hereto as Appendix B (as may be amended and supplemented) (the “**2023 Refunding Bonds POS**”).

If the 2023 Refunding Bonds are issued, the source of funds to pay the purchase price of the Target Bonds validly tendered and accepted for purchase will be the net proceeds of the 2023 Refunding Bonds. Accrued Interest will be funded by legally available funds held by, or on behalf of, the District.

The Target Bonds that are the San Diego Unified School District 2016 General Obligation Bonds (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series I) were issued by the District pursuant to a resolution, adopted by the Board of Education of the District on September 29, 2015, and a resolution, adopted by the Board of Supervisors of the County of San Diego on October 13, 2015. The Target Bonds that are the San Diego Unified School District 2017 General Obligation Bonds (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series K-2) were issued by the District pursuant to a resolution, adopted by the Board of Education of the District on September 26, 2017, and a resolution, adopted by the Board of Supervisors of the County of San Diego on October 24, 2017. The Target Bonds that are the San Diego Unified School District 2020 General Obligation Refunding Bonds (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series SR-2) (Federally Taxable) were issued by the District pursuant to a resolution, adopted by the Board of Education of the District on February 25, 2020. The aforementioned resolutions are each an “**Authorizing Resolution**” and collectively, the “**Authorizing Resolutions**”).

Any purchase of the Target Bonds pursuant to this Invitation is part of a plan by the District to refinance some or all of the outstanding Target Bonds, as described in the 2023 Refunding Bonds POS. **The outstanding bonds of the District of any series that are not identified in the tables above on pages (i) through and including (iii) are not subject to this Invitation.** For additional information concerning the District, its plan of refunding and its outstanding indebtedness, see the 2023 Refunding Bonds POS.

The District’s obligations to accept for purchase and to pay for the Target Bonds validly tendered and accepted for purchase pursuant to this Invitation are also subject to the satisfaction or waiver of certain conditions. See Section 13, “Conditions to Purchase,” for additional information regarding certain of such conditions.

Subject to the terms of this Invitation and the satisfaction of all conditions to the District’s obligation to purchase tendered Target Bonds as described herein, and provided that (i) the Target Bonds tendered by a Bondholder for purchase have been validly tendered by 5:00 p.m., New York City time, on November 13, 2023 (as extended from time to time in accordance with this Invitation, the “**Expiration Date**”), and (ii) accepted by the District on or before November 16, 2023 (as extended from time to time in accordance with this Invitation, the “**Final Acceptance Date**”), the District will purchase at the applicable Purchase Prices on November 29, 2023 or such later date as the District shall determine (such date, the “**Settlement Date**”). Accrued Interest will also be paid on the Settlement Date.

The source of funds to purchase the Target Bonds validly tendered and accepted for purchase pursuant to the Invitation is anticipated to be a portion of the net proceeds of the District’s 2023 Refunding Bonds to be issued on the Settlement Date. Accrued Interest, if any, will be funded by funds on hand held by, or on behalf of, the District.

All times in this Invitation are local time in New York City.

No assurances can be given that the 2023 Refunding Bonds will be issued or that any Target Bonds tendered for purchase by a Bondowner will be purchased. See Section 9, “Acceptance of Target Bonds for Purchase,” for more information on the selection of tendered Target Bonds to be purchased, if

any. The District reserves the right to amend or waive the terms of this Invitation as to any or all of the Target Bonds in any respect and at any time prior to the Final Acceptance Date or from time to time, and the District has the right to terminate this Invitation at any time up to and including the Final Acceptance Date, as described in Section 13, “Conditions to Purchase,” and Section 14, “Extension, Termination and Amendment of Invitation,” below.

The District is under no obligation to accept any of the Target Bonds that are tendered for purchase pursuant to the Invitation if the Financing Conditions are not met, and, if any Target Bonds are accepted, will accept such Target Bonds as described in Section 9, “Acceptance of Target Bonds for Purchase.” Any Target Bonds tendered by Bondowners pursuant to this Invitation but not accepted by the District will be returned to the Bondowners and will continue to be payable and secured under the terms of the respective Authorizing Resolution under which such Target Bonds were issued until maturity or prior redemption. If all conditions to this Invitation are not satisfied or waived by the District on or prior to the Settlement Date, any Target Bonds tendered by Bondowners pursuant to this Invitation will be returned to the Bondowners and will continue to be payable and secured under the terms of the respective Authorizing Resolution and/or paying agent agreement under which such Target Bonds were issued until maturity or prior redemption.

It is anticipated that, subject to market conditions, all of the Target Bonds not tendered for purchase pursuant to this Invitation will remain outstanding.

Further details concerning the District’s debt refunding plan is contained in the 2023 Refunding Bonds POS. See also Section 16, “Additional Considerations,” below.

To make an informed decision as to whether, and how, to tender the Target Bonds for purchase pursuant to the Invitation, a Bondowner must read this Invitation carefully, including the 2023 Refunding Bonds POS. None of the District, the Dealer Manager (as defined below) or the Information Agent and Tender Agent (as defined below) make any recommendation that any Bondowner tender or refrain from tendering all or any portion of such Bondowner’s Target Bonds for purchase. Bondowners must make these decisions and should consult with their broker, account executive, financial advisor, attorney and/or other appropriate professionals.

The Dealer Manager for this Invitation is Jefferies LLC (the “**Dealer Manager**”). Globic Advisors is serving as information agent and tender agent (the “**Information Agent and Tender Agent**”) in connection with this Invitation. Bondowners with questions about the substance of this Invitation should contact the Dealer Manager. Bondowners with questions about the mechanics of this Invitation should contact the Information Agent and Tender Agent at the email address and telephone number set forth on the inside cover page of this Invitation.

2. Information to Bondowners

General. The District may give information about this Invitation to the market and Bondholders by delivery of the information to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system (“**EMMA**”) using the CUSIP numbers for the Target Bonds and to The Depository Trust Company (“**DTC**”). Additionally, the District may give information about this Invitation to the Information Agent and Tender Agent who will deliver information provided to it by the District through its website, <https://www.globic.com/sdusd> (such website, together with EMMA and DTC being collectively referred to herein as the “**Information Services**”). Delivery by the District of information in this manner will be deemed to constitute delivery of the information to each Bondowner. The Dealer Manager, and the Information Agent and Tender Agent have no obligation to ensure that a Bondowner actually receives any information provided by the District in this manner. A Bondowner who

would like to receive information furnished by or on behalf of the District as described above must make appropriate arrangements with its broker, account executive or other financial advisor or representative.

3. Expiration Date; Offers Only Through Financial Institutions; Brokerage Commissions

This Invitation will expire at 5:00 p.m., New York City time, on November 13, 2023, the Expiration Date, unless earlier terminated or extended as described in this Invitation. Tenders of the Target Bonds received after 5:00 p.m., New York City time, on the Expiration Date (as it may be extended) will not be considered. See Section 14, “Extension, Termination and Amendment of Invitation,” for a discussion of the ability of the District to extend the Expiration Date and to terminate or amend this Invitation.

All of the Target Bonds are held in book-entry-only form through the facilities of The Depository Trust Company of New York (“DTC”). The Information Agent and Tender Agent and DTC have confirmed that the Invitation is eligible for submission of tenders for purchase through DTC’s Automated Tender Offer Program (known as the “ATOP” system). *Bondowners of the Target Bonds who want to accept this Invitation to sell the Target Bonds must do so through a DTC participant in accordance with the relevant DTC procedures for the ATOP system. The District will not accept any tenders of the Target Bonds for purchase that are not made through the ATOP system.* Bondowners who are not DTC participants can only tender the Target Bonds for purchase pursuant to this Invitation by making arrangements with and instructing the bank or brokerage firm through which they hold their Target Bonds (sometimes referred to herein as a “custodial intermediary”) to tender the Bondowner’s Target Bonds on their behalf through the ATOP system. To ensure a Bondowner’s Target Bonds are tendered through the ATOP system by 5:00 p.m., New York City time, on the Expiration Date, Bondowners must provide instructions to the bank or brokerage firm through which their Target Bonds are held in sufficient time for such custodial intermediary to tender the Target Bonds in accordance with DTC procedures through the ATOP system by this deadline. Bondowners should contact their bank or brokerage firm through which they hold their Target Bonds for information on when such custodial intermediary needs the Bondowner’s instructions in order to tender the Bondowner’s Target Bonds through the ATOP system by 5:00 p.m., New York City time, on the Expiration Date. See also Section 6, “Transmission of Offers by Financial Institutions; DTC ATOP Procedures,” below.

The District, the Dealer Manager, and the Information Agent and Tender Agent are not responsible for making or transmitting any tender of the Target Bonds or for the transfer of any tendered Target Bonds through the ATOP system or for any mistakes, errors or omissions in the making or transmission of any tender or transfer.

Bondowners will not be obligated to pay any brokerage commissions or solicitation fees to the District, the Dealer Manager or the Information Agent and Tender Agent in connection with this Invitation. However, Bondowners should check with their broker, account executive or other financial institution which maintains the account in which their Target Bonds are held to determine if it will charge any commission or fees.

4. Minimum Denominations and Consideration for Offers

Authorized Denominations for Offers. A Bondowner may tender all or a portion of the Target Bonds of a particular CUSIP that it owns in an amount of its choosing, but only in Principal Amounts (as defined herein) equal to the Minimum Authorized Denomination (as defined herein) or any integral multiple of \$5,000 in excess thereof.

Minimum Authorized Denomination. Pursuant to the Invitation, each Bondowner may tender to the District for purchase the Target Bonds, with respect to the Taxable Target Bonds, in a

denomination of \$5,000 principal amount, and with respect to the Tax-Exempt Target Bonds, in a denomination of \$5,000 accreted value at maturity (the “**Minimum Authorized Denomination**”) or any integral multiple of \$5,000 in excess thereof, with respect to which the Bondowner has a beneficial ownership interest. The principal amounts of Taxable Target Bonds and the accreted values at maturity of Tax-Exempt Target Bonds are referred to herein as “**Principal Amounts**.”

See below for more information on how a Bondowner can tender its Target Bonds for purchase and the Purchase Price offered.

Purchase Price Consideration. The Taxable Target Bonds may only be tendered by a Bondowner for purchase by the District pursuant to this Invitation at Fixed Spreads (as defined below) for each CUSIP as set forth in the Pricing Notice. The Tax-Exempt Target Bonds may only be tendered by a Bondowner for purchase by the District pursuant to this Invitation at the Purchase Prices for each CUSIP as set forth in the Pricing Notice.

Taxable Target Bonds. On or about November 6, 2023, the District will publish the Pricing Notice in the form attached hereto as Appendix A, which Pricing Notice will set forth (i) either (A) a confirmation of the indicative fixed spreads shown on page (i) of this Invitation or (B) amendment to the fixed spreads (the “**Fixed Spreads**”) for each CUSIP for the Taxable Target Bonds tendered for purchase.

The applicable Fixed Spread for a CUSIP will represent the spread which will be added to the yield on the Benchmark Treasury Security corresponding thereto to arrive at a yield (the “**Purchase Yield**”) used to calculate the Purchase Price for each maturity and corresponding CUSIP of the Taxable Target Bonds. The yield on the corresponding Benchmark Treasury Security will equal the bid-side yield of such Benchmark Treasury Security, as quoted on the Bloomberg Bond Trader FIT1 series of pages at approximately 10:00 a.m., New York City time, on November 15, 2023.

The Purchase Yield will be used to calculate the Purchase Prices for the Taxable Target Bonds. The Purchase Prices for the Taxable Target Bonds will be calculated using the market standard bond pricing formula as of the Settlement Date using the applicable Purchase Yield and the maturity date of such Taxable Target Bonds.

The District will publish a Taxable Preliminary Acceptance Notice on or about November 14, 2023 (the “**Taxable Preliminary Acceptance Date**”). The District will determine the preliminary Principal Amount (if any) of the Taxable Target Bonds of a CUSIP that it wishes to purchase, which meets the Financing Conditions. Notice of the preliminary Principal Amount of the Taxable Target Bonds (if any) for each CUSIP that the District will initially agree to purchase will be provided to the Information Services on the Taxable Preliminary Acceptance Date.

The Principal Amount (if any) for the Taxable Target Bonds of a CUSIP in the Taxable Preliminary Acceptance Notice are preliminary and subject to change. The final Principal Amount (if any) for the Taxable Target Bonds of a CUSIP accepted for purchase will be announced on the Final Acceptance Date.

The District will publish a Notice of Taxable Target Bonds Purchase Price on November 15, 2023.

The District will publish a Final Acceptance Notice on the Final Acceptance Date. The District will make a final determination of the Principal Amount (if any) of the Taxable Target Bonds of a CUSIP that it will purchase from among those Taxable Target Bonds of such CUSIP that were initially accepted for purchase pursuant to the Preliminary Acceptance Notice. The District shall be under no obligation to accept any Taxable Target Bonds tendered for purchase pursuant to this Invitation that do not meet the

Financing Conditions. The District may also determine to purchase less than all of the Taxable Target Bonds that were initially accepted for purchase. Notice of the Principal Amount of the Taxable Target Bonds (if any) for each CUSIP that the District will agree to purchase will be provided to the Information Services on the Final Acceptance Date.

Tax-Exempt Target Bonds. On or about November 6, 2023, the District will publish the Pricing Notice in the form attached hereto as Appendix A. The Pricing Notice will set forth the prices to be paid by the District for each CUSIP for the Tax-Exempt Target Bonds tendered and accepted for purchase pursuant to this Invitation. The Pricing Notice will also set forth either (A) a confirmation of the indicative Purchase Prices shown on pages (ii) and (iii) of this Invitation, or (B) an amendment to such Purchase Prices to be paid by the District for each CUSIP for the Tax-Exempt Target Bonds tendered for purchase pursuant to this Invitation.

The Purchase Price for Tax-Exempt Target Bonds with each particular CUSIP tendered pursuant to this Invitation will be the Purchase Price set forth in the Pricing Notice.

The District will publish a Final Acceptance Notice on the Final Acceptance Date. The District will make a final determination of the Principal Amount (if any) of the Tax-Exempt Target Bonds of a CUSIP that it will purchase. The District shall be under no obligation to accept any Tax-Exempt Target Bonds tendered for purchase pursuant to this Invitation that do not meet the Financing Conditions. Notice of the Principal Amount of the Tax-Exempt Target Bonds (if any) for each CUSIP that the District will agree to purchase will be provided to the Information Services on the Final Acceptance Date.

Accrued Interest. In addition to the purchase price of the Target Bonds accepted for purchase by the District, Accrued Interest on any Taxable Target Bonds accepted for purchase will be paid by, or on behalf of, the District on the Settlement Date. No accrued interest will be paid on any Tax-Exempt Target Bonds accepted for purchase. The purchase prices and the Accrued Interest, if any, will constitute the sole consideration payable by the District for the Target Bonds purchased by the District pursuant to the Invitation.

5. Provisions Applicable to all Offers

A Bondowner should ask its financial advisor, investment manager, broker or account executive for advice in determining whether to tender the Target Bonds for purchase and the Principal Amount of the Target Bonds to be tendered. A Bondowner should also inquire as to whether its financial institution will charge a fee for submitting tenders. The District, the Dealer Manager, and the Information Agent and Tender Agent will not charge fees to any Bondowner making an offer or completing the purchase of the Target Bonds.

A tender of the Target Bonds cannot exceed the Principal Amount of the Target Bonds owned by the Bondowner. The Target Bonds may be tendered and accepted for payment only in Principal Amounts equal to the Minimum Authorized Denomination and integral multiples of \$5,000 in excess thereof.

“All or none” tenders are not permitted. No alternative, conditional or contingent tenders will be accepted. All tenders shall survive the death or incapacity of the tendering Bondowner.

By tendering the Target Bonds pursuant to this Invitation, each Bondowner will be deemed to have represented and warranted to and agreed with the District and the Dealer Manager that:

- (a) the Bondowner has received, and has had the opportunity to review, this Invitation (including the 2023 Refunding Bonds POS) prior to making the decision as to whether or not it should tender its Target Bonds for purchase;

(b) the Bondowner has full authority to tender, sell, assign and transfer such Target Bonds, and that, on the Settlement Date, the District, as transferee, will acquire good title, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, subject to payment to the Bondowner of the applicable Purchase Price plus payment of the Accrued Interest;

(c) the Bondowner has made its own independent decision to tender the Target Bonds, the appropriateness of the terms thereof, and whether it is appropriate for the Bondowner;

(d) such decisions are based upon the Bondowner's own judgment and upon advice from such advisors as the Bondowner has consulted;

(e) the Bondowner is not relying on any communication from the District or the Dealer Manager as investment advice or as a recommendation to tender bonds, it being understood that the information from the District or the Dealer Manager related to the terms and conditions of this Invitation shall not be considered investment advice or a recommendation to tender bonds; and

(f) the Bondowner is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand and accept, the terms and conditions of the Invitation.

6. Transmission of Offers by Financial Institutions; DTC ATOP Procedures

Tenders of the Target Bonds for purchase pursuant to this Invitation may only be made to the District through DTC's ATOP system. Bondowners that are not DTC participants must tender their Target Bonds through their custodial intermediary. A DTC participant must tender the Target Bonds offered by the Bondowner pursuant to the Invitation on behalf of the Bondowner for whom it is acting, by book-entry through the ATOP system. In so doing, such custodial intermediary and the Bondowner on whose behalf the custodial intermediary is acting agree to be bound by DTC's rules for the ATOP system. In accordance with ATOP procedures, DTC will then verify receipt of the tendered bonds and send an Agent's Message (as described below) to the Information Agent and Tender Agent.

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Information Agent and Tender Agent and forming a part of the book-entry confirmation which states that DTC has received an express acknowledgement from the DTC participant tendering the Target Bonds for purchase that are the subject of such book-entry confirmation, stating: (i) the par amount of the Target Bonds that have been tendered by such DTC participant on behalf of the Bondowner pursuant to the Invitation, and (ii) that the Bondowner agrees to be bound by the terms of this Invitation, including the representations, warranties, agreements and affirmations deemed made by it as set forth in Section 5 above.

Agent's Messages must be transmitted to and received by the Information Agent and Tender Agent by not later than 5:00 p.m., New York City time, on the Expiration Date (as such date may have been changed as provided in this Invitation). The Target Bonds will not be deemed to have been tendered for cash purchase pursuant to the Invitation until an Agent's Message with respect thereto is received by the Information Agent and Tender Agent.

Each DTC participant is advised to submit each beneficial owner's instruction individually into DTC's ATOP system to ensure proper settlement.

7. Determinations as to Form and Validity of Offers; Right of Waiver and Rejection

All questions as to the validity (including the time of receipt of Agent's Messages by the Information Agent and Tender Agent), eligibility, and acceptance of any tenders of the Target Bonds for purchase will be determined by the District in its sole discretion and will be final, conclusive and binding.

The District reserves the right to waive any irregularities or defects in any tender. The District, the Dealer Manager, and the Information Agent and Tender Agent are not obligated to give notice of any defects or irregularities in tenders, and they will have no liability for failing to give such notice.

8. Withdrawals of Offers Prior to Expiration Date; Irrevocability of Offers on Expiration Date

A Bondowner may withdraw the Target Bonds tendered for purchase pursuant to this Invitation by causing a withdrawal notice to be transmitted via DTC's ATOP system to, and received by, the Information Agent and Tender Agent at or before 5:00 p.m., New York City time, on the Expiration Date (as the date and time may have been changed as provided in this Invitation).

Bondowners who are not DTC participants can only withdraw their tendered Target Bonds by making arrangements with and instructing the custodial intermediary through which they hold their Target Bonds to submit the Bondowner's notice of withdrawal through the DTC ATOP system.

All tenders of the Target Bonds for purchase will become irrevocable as of 5:00 p.m., New York City Time, on the Expiration Date (as such date may have been changed from time to time as provided in this Invitation).

9. Acceptance of Target Bonds for Purchase

On the Final Acceptance Date (*i.e.*, November 16, 2023, unless extended), upon the terms and subject to the conditions of the Invitation, the District will announce its acceptance of the Target Bonds for purchase, if any, validly tendered by Bondowners pursuant to this Invitation by giving notice to the Information Services in the manner described in Section 2, with acceptance subject to the satisfaction or waiver by the District of the conditions to the purchase of tendered Target Bonds. See Section 10, "Acceptance of Offers Constitutes Irrevocable Agreement" and Section 13, "Conditions to Purchase."

The District intends to purchase all of the Target Bonds meeting the Financing Conditions pursuant to this Invitation, though depending upon the results of this Invitation and other factors the District may purchase none of the Target Bonds or a lesser Principal Amount of the Target Bonds in order to maximize benefits of the transaction. The District shall be under no obligation to accept any Target Bonds tendered for purchase pursuant to this Invitation that do not meet the Financing Conditions.

The Target Bonds that will be purchased will be indicated by CUSIP. The District may choose to purchase some but not all of the tendered Target Bonds of a particular CUSIP. Should the District decide to only purchase a portion of the Target Bonds being tendered for purchase of a certain CUSIP, the District will accept such Target Bonds tendered for purchase on a pro rata basis. The Principal Amount of each individual tender will be accepted, pro rata, based upon the ratio of Principal Amount of such Target Bonds of a certain CUSIP accepted for purchase by the District divided by the aggregate Principal Amount of such Target Bonds tendered for purchase. In such event, should the Principal Amount of any individual tender offer, when adjusted by the pro rata acceptance, result in an amount that is not a multiple of \$5,000, the Principal Amount of such tender will be rounded up to the nearest multiple of \$5,000. If as a result of such adjustment, the Principal Amount of a holder's unaccepted Target Bonds is less than the Minimum Authorized Denomination, the District will reject such holder's tendered Target Bonds in whole. The District will determine the amount to accept for each CUSIP in order to maximize

the projected or actual financial benefit resulting from the transaction, and reserves the right to accept significantly more or significantly less (or none) of any CUSIP as compared to any other CUSIP.

The acceptance notification will state: (i) the Principal Amount of the Target Bonds of each CUSIP number that the District has accepted for purchase in accordance with the Invitation, which may be zero for a particular CUSIP number, or (ii) that the District has decided not to purchase any Target Bonds.

Shortly following the giving of notice of its acceptance of tendered Target Bonds for purchase the District will instruct DTC to release from the controls of the ATOP system all the Target Bonds that were tendered but were not accepted for purchase. The release of such Target Bonds will take place in accordance with DTC's ATOP procedures. The District, the Dealer Manager, and the Information Agent and Tender Agent are not responsible or liable for the operation of the ATOP system by DTC to properly credit such released Target Bonds to the applicable account of the DTC participant or custodial intermediary or by such DTC participant or custodial intermediary for the account of the Bondowner.

Notwithstanding any other provision of this Invitation, the obligation of the District to accept for purchase and to pay for the Target Bonds validly tendered (and not validly withdrawn) by Bondowners pursuant to the Invitation is subject to the satisfaction or waiver of the conditions set forth under Section 13, "Conditions to Purchase" below. The District reserves the right to amend or waive any of the terms of or conditions to this Invitation, in whole or in part, at any time prior to the Final Acceptance Date. This Invitation may be withdrawn by the District at any time prior to the Final Acceptance Date.

10. Acceptance of Offers Constitutes Irrevocable Agreement

Acceptance by the District of the Target Bonds tendered for purchase by Bondowners will constitute an irrevocable agreement between the tendering Bondowner and the District to sell and purchase such Target Bonds, subject to the conditions and terms of this Invitation, including the Conditions to Purchase set forth in Section 13, "Conditions to Purchase."

The acceptance of the Target Bonds tendered for purchase is expected to be made by notification to the Information Services on the Final Acceptance Date. This notification will state the Principal Amount of the Target Bonds of each CUSIP number that the District has agreed to accept for purchase in accordance with this Invitation, which may be zero for a particular CUSIP number.

11. Settlement Date; Purchase of Target Bonds

Subject to satisfaction of all conditions to the District's obligation to purchase tendered Target Bonds, as described herein, the Settlement Date is the day on which the Target Bonds accepted for purchase will be purchased and paid for at the applicable Purchase Price. Accrued Interest, if applicable, will also be paid. The Settlement Date has initially been set as November 29, 2023, unless extended by the District, assuming all conditions to the applicable Invitation have been satisfied or waived by the District.

The District may, in its sole discretion, change the Settlement Date by giving notice thereof in the manner described in Section 2 of this Invitation prior to the change.

Subject to satisfaction of all conditions to the District's obligation to purchase the Target Bonds tendered for purchase pursuant to the Invitation, as described herein, payment by the District will be made through DTC on the Settlement Date. The District expects that, in accordance with DTC's standard procedures, DTC will transmit the aggregate Purchase Prices to be paid for the Target Bonds tendered for

purchase (plus Accrued Interest, as applicable) to DTC participants holding the Target Bonds accepted for purchase on behalf of Bondowners for subsequent disbursement to the Bondowners. **The District, the Dealer Manager and the Information Agent and Tender Agent have no responsibility or liability for the distribution of the Purchase Prices paid and Accrued Interest by DTC to DTC participants or by DTC participants to Bondowners.**

Promptly following such deliveries and payments, the District will instruct the Paying Agent for the Target Bonds purchased to cause such Target Bonds to be cancelled and retired.

12. Sources of Funds to Pay Purchase Prices and Accrued Interest

The source of funds to purchase the Target Bonds validly tendered and accepted for purchase pursuant to the Invitation and accepted by the District is anticipated to be proceeds received by the District from the sale of its 2023 Refunding Bonds, expected to be issued on the Settlement Date. Accrued Interest, if any, will be funded by funds on hand held by, or on behalf of, the District. The District's ability to settle the cash purchase of the Target Bonds tendered for purchase is contingent upon the successful delivery of its 2023 Refunding Bonds and the other conditions set forth herein.

13. Conditions to Purchase

The District will not be obligated to accept for purchase any Target Bonds pursuant to the Invitation, and may terminate the Invitation, if, at any time after issuance of this Invitation and before payment for the Target Bonds on the Settlement Date, in the District's reasonable judgement, any of the following events shall have occurred:

(i) The District cannot effectuate the issuance and sale of the 2023 Refunding Bonds on terms and conditions reasonably satisfactory to the District;

(ii) Litigation or another proceeding is pending or threatened which the District reasonably believes may, directly or indirectly, have an adverse impact on this Invitation or the expected benefits of this Invitation to the District or the Bondowners;

(iii) A war, public health or other national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the District reasonably believes this fact makes it inadvisable to proceed with the purchase of the Target Bonds;

(iv) A material change in the business or affairs of the District has occurred which the District reasonably believes makes it inadvisable to proceed with the purchase of the Target Bonds;

(v) The District reasonably determines the projected economic benefits of the transaction contemplated by this Invitation and the 2023 Refunding Bonds POS, as a result of market conditions, expected or actual level of participation in the Tender Offer by Holders of the Target Bonds, or any other factors not within the sole control of the District, makes it inadvisable to proceed with the purchase of the Target Bonds or the issuance of the 2023 Refunding Bonds;

(vi) A material change in the net benefits of the transaction contemplated by this Invitation and the 2023 Refunding Bonds POS has occurred due to a material change in market conditions which the District reasonably believes makes it inadvisable to proceed with the purchase of the Target Bonds; or

(vii) There shall have occurred a material disruption in securities settlement, payment or clearance services.

These conditions are for the sole benefit of the District. They may be asserted by the District at any time prior to the time of payment for the Target Bonds on the Settlement Date. The conditions may be waived by the District in whole or in part at any time and from time to time in its sole discretion and may be exercised independently for each maturity date and CUSIP number of the Target Bonds. The failure by the District at any time to exercise any of these rights will not be deemed a waiver of any of these rights, and the waiver of these rights with respect to particular facts and other circumstances will not be deemed a waiver of these rights with respect to any other facts and circumstances. Each of these rights will be deemed an ongoing right of the District which may be asserted at any time and from time to time. Any determination by the District concerning the events described in this Section 13 will be final and binding upon all parties. If, prior to the time of payment for any Target Bonds any of the events described happens, the District will have the absolute right to cancel its obligations to purchase the Target Bonds without any liability to any Bondowner or any other person.

14. Extension, Termination and Amendment of Invitation

The District may revise the terms of this Invitation prior to the Final Acceptance Date.

Through and including the Final Acceptance Date, the District has the right to extend this Invitation, to any date in its sole discretion. Notice of an extension of the Expiration Date will be given in the manner described in Section 2, “Information to Bondowners,” of this Invitation on the first business day after the then current Expiration Date.

The District also has the right, prior to the Final Acceptance Date to terminate this Invitation at any time by giving notice of such termination in the manner described in Section 2, “Information to Bondowners,” of this Invitation.

The District also has the right, prior to the Final Acceptance Date, to amend or waive the terms of this Invitation in any respect and at any time by giving notice of the amendment or waiver in the manner described in Section 2 of this Invitation. The amendment or waiver will be effective at the time specified in such notice.

If the District amends the terms of this Invitation, including any decrease to a Purchase Price or any increase in a Fixed Spread for any of the Target Bonds after the publication of the Pricing Notice, waiver of any term, in any material respect, notice (as described in Section 2, “Information to Bondowners”) of such amendment or waiver will be given no later than three (3) Business Days prior to the Expiration Date, as extended to provide reasonable time for dissemination of such amendment or waiver to Bondowners and for Bondowners to respond. **In such event, any tenders submitted with respect to the affected Target Bonds prior to such amendment, will remain in full force and effect, and any Bondowner of such affected Target Bonds wishing to revoke its tender such Target Bonds for purchase must affirmatively withdraw such tender prior to the Expiration Date as described in Section 8, “Withdrawals of Offers Prior to Expiration Date; Irrevocability of Offers on Expiration Date,” hereof.**

If the District amends the terms of this Invitation to increase (but not decrease) any of the Purchase Prices for the Tax-Exempt Target Bonds or decrease any of the Fixed Spreads for any of the Target Bonds after the publication of the Pricing Notice, it may do so by providing notice to the Information Services of any such increase(s) in Purchase Prices or decrease(s) in Fixed Spreads no later than 5:00 p.m., Eastern time, on the Business Day prior to the Expiration Date.

No extension, termination or amendment of this Invitation (or waiver of any terms of this Invitation) will: (i) change the District’s right to decline to purchase any Target Bonds without liability;

or (ii) give rise to any liability of the District, the Dealer Manager, or the Information Agent and Tender Agent to any Bondowner or nominee.

15. Certain Federal Income Tax Consequences

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) of the Target Bonds that tender their Target Bonds for cash. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective tendering investors should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the “**IRS**”) with respect to any of the U.S. federal income tax considerations discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Target Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose “functional currency” is not the U.S. dollar, or certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Internal Revenue Code of 1986 (the “**Code**”), or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Target Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors who hold their Target Bonds as “capital assets” within the meaning of Section 1221 of the Code. The following discussion does not address tax considerations applicable to any investors in the Target Bonds other than investors that are U.S. Holders.

As used herein, “U.S. Holder” means a beneficial owner of a Target Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). If a partnership holds the Target Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding the Target Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Target Bonds (including their status as U.S. Holders).

Prospective tendering investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the tender of the Target Bonds in light of their particular circumstances.

Tendering U.S. Holders. The tender of a Target Bond for cash will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Target Bond will recognize gain or loss equal to the difference between (i) the amount of cash received (except to the extent attributable to accrued but unpaid interest coupons and original issue discount (the “**OID**”) accrued since the most recent compounding date on the Target Bond, which will be treated for federal income tax purposes as a coupon payment on the Target Bond) and (ii) the U.S. Holder’s adjusted U.S. federal income tax basis in the Target Bond (generally, the purchase price paid by the U.S. Holder for the Target

Bond, decreased by any amortized premium, and increased by the amount of any OID previously accrued by such U.S. Holder with respect to such Target Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Target Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Target Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

16. Additional Considerations

In deciding whether to participate in the Invitation, each Bondowner should consider carefully, in addition to the other information contained in this Invitation, the following:

Market for Target Bonds. The Target Bonds are not listed on any national or regional securities exchange. To the extent that the Target Bonds are traded, their prices may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Bondowners may be able to effect a sale of the Target Bonds at a price higher than the Purchase Price established pursuant to the Invitation.

Target Bonds Not Tendered for Purchase. Bondowners of the Target Bonds who do not offer their Target Bonds for purchase pursuant to this Invitation will continue to hold their interest in such Target Bonds. If the Target Bonds are purchased pursuant to this Invitation, the Principal Amount of the Target Bonds for a particular CUSIP that remains outstanding will be reduced, which could adversely affect the liquidity and market value of the Target Bonds of that CUSIP that remain outstanding.

The terms of the Target Bonds that remain outstanding will continue to be governed by the terms of the respective Authorizing Resolution and/or paying agent agreement under which such Target Bonds were issued. The Tax-Exempt Target Bonds are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after its respective first optional redemption date indicated on pages (ii) and (iii) of this Invitation, at a redemption price equal to the stated accreted value of the Tax-Exempt Target Bonds called for redemption as of the date fixed for redemption, without premium, and the Taxable Target Bonds are subject to redemption in whole or in part, at the option of the District, from any source of available funds, as a whole or in part on any date prior to January 1, 2030, at a redemption price equal to 100% of the principal amount of such Taxable Target Bonds to be redeemed plus a Make-Whole Premium (as set forth in documents pursuant to which the Taxable Target Bonds were issued), together with accrued interest to the date fixed for redemption, without premium. Further details concerning the District's debt refunding plan will be contained in the 2023 Refunding Bonds POS.

To the extent the Target Bonds are not purchased pursuant to this Invitation the District reserves the right to, and may in the future decide to, acquire some or all of the Target Bonds through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers or otherwise, upon such terms and at such prices as it may determine, which may be more or less than the consideration offered pursuant to this Invitation, which could be cash or other consideration. Any future acquisition of the Target Bonds may be on the same terms or on terms that are more or less favorable to Bondowners than the terms of the Invitation described in this Invitation. The District also reserves the right in the future to refund, or cause the refunding of (on an advance or current basis), any remaining portion of outstanding Target Bonds through the issuance of publicly offered or privately placed bonds. The decision to undertake any such future transactions will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the District may ultimately choose to pursue in the future.

17. The Dealer Manager

References in this Invitation to the Dealer Manager is to Jefferies LLC only in its capacity as the Dealer Manager.

The Dealer Manager may contact Bondowners regarding this Invitation and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Invitation to beneficial owners of the Target Bonds.

The District will pay to the Dealer Manager customary fees for its services in connection with this Invitation. In addition, the District will pay the Dealer Manager its reasonable out-of-pocket costs and expenses relating to this Invitation.

The Dealer Manager and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Dealer Manager and its affiliates have, from time to time, performed, and may in the future perform, a variety of these services for the District, for which they received and or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealer Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities of the Dealer Manager and/or its affiliates may involve securities and instruments of the District, including but not limited to the Target Bonds.

In addition to its role as Dealer Manager in connection with this Invitation, the Dealer Manager is currently expected to act as an underwriter of the 2023 Refunding Bonds and other bonds anticipated to be issued by the District as described in the 2023 Refunding Bonds POS and, as such, it will receive compensation in connection with that transaction as well as for acting as Dealer Manager in connection with this Invitation.

18. Information Agent and Tender Agent

The District has retained Globic Advisors to serve as Information Agent and Tender Agent in connection with this Invitation. The District has agreed to pay the Information Agent and Tender Agent customary fees for its services and to reimburse the Information Agent and Tender Agent for its reasonable out-of-pocket costs and expenses relating to this Invitation.

19. Miscellaneous

The Invitation is not being made to, and tenders will not be accepted from or on behalf of, Bondowners in any jurisdiction in which this Invitation or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions whose laws require the Invitation to be made through a licensed or registered broker or dealer, the Invitation is being made on behalf of the District by the Dealer Manager.

No one has been authorized by the District, the Dealer Manager or the Information Agent and Tender Agent to recommend to any Bondowners whether to tender the Target Bonds for purchase pursuant to this Invitation. No one has been authorized to give any information or to make any representation in connection with this Invitation other than those contained in this

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APPENDIX A

FORM OF
PRICING NOTICE

Dated November 6, 2023

by the

SAN DIEGO UNIFIED SCHOOL DISTRICT

to the Beneficial Owners of

**San Diego Unified School District 2020 General Obligation Refunding Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series SR-2)
(Federally Taxable)**

**San Diego Unified School District 2016 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series I)**

**San Diego Unified School District 2017 General Obligation Bonds
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (Election of 2008, Series K-2)**

The purpose of this Pricing Notice, dated November 6, 2023 (the "Pricing Notice") is to either confirm or amend the Fixed Spreads for the Taxable Target Bonds and the Purchase Prices for the Tax-Exempt Target Bonds subject to the Invitation. All other terms relating to the Invitation (hereinafter defined) remain unchanged.

Pursuant to the Invitation to Tender for Purchase, dated October 30, 2023 (as amended or supplemented, the "**Invitation**"), the San Diego Unified School District (the "**District**"), invited offers to tender Target Bonds for purchase, (i) with respect to the Taxable Target Bonds, at the applicable purchase prices based on a fixed spread to be added to the yields on certain benchmark United States Treasury Securities set forth in this Pricing Notice, and (ii) with respect to the Tax-Exempt Target Bonds, at the applicable purchase prices set forth in this Pricing Notice, plus, in the case of the Taxable Target Bonds, Accrued Interest. All terms used herein and not otherwise defined are used as defined in the Invitation.

As set forth in the Invitation, the District retains the right to extend the Invitation by notice given to the Information Services at any time but no later than the first Business Day following the previously scheduled Expiration Date, or to amend the terms of the Invitation (including a waiver of any term) in any material respect, provided, that the District shall provide notice of any amendment or waiver to the Information Services, all as provided in the Invitation. In such event, any offers submitted with respect to the affected Target Bonds prior to such change in the Purchase Price or Fixed Spreads for such Target Bonds pursuant to the Invitation will remain in full force and effect and any Bondholder of such affected Target Bonds as applicable, wishing to revoke their offer to tender such Target Bonds for purchase must affirmatively withdraw such offer prior to the Expiration Date, as extended.

The Invitation, including the Preliminary Official Statement dated October 30, 2023, relating to the 2023 Refunding Bonds (the "2023 Refunding Bonds POS") is available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Target Bonds, and (ii) on the website of the Information Agent and Tender Agent at <https://www.globic.com/sdusd>.

The ability of Bondowners to accept the Invitation of the District expires at 5:00 p.m., New York City time, on November 13, 2023. Any questions are to be directed to the Dealer Manager or Information Agent and Tender Agent.

Any questions can be directed to the:

Dealer Manager
Jefferies LLC
(800) 567-8567
Attention: Municipal Syndicate Desk
muni_underwriting@jefferies.com

or

Information Agent and Tender Agent
Globic Advisors
1-212-227-9622
Attention: Robert Stevens
rstevens@globic.com

INVITATION TO TENDER FOR PURCHASE – YIELD SPREADS (TAXABLE TARGET BONDS)

Pursuant to the Invitation, the Fixed Spreads for the Taxable Target Bonds are listed below. The Purchase Price to be paid on the Settlement Date excludes Accrued Interest on the Taxable Target Bonds tendered for purchase, which interest will be paid to but not including the Settlement Date in addition to the Purchase Price.

[INSERT TABLES]

The yields on the Benchmark Treasury Securities will be determined at approximately 10:00 AM New York City time on November 15, 2023, and the Notice of Taxable Target Bonds Purchase Price will be made available on that date in accordance with the Invitation.

Example based on the following closing yields for the Benchmark Treasury Securities as of [____], 2023 and the Fixed Spreads: The tables below provide an example of the Purchase Price realized by a Bondholder that submits an offer based on the following yields for the Benchmark Treasury Securities as of [____], 2023 and the Fixed Spreads. This example is being provided for convenience only and is not to be relied upon by a Bondholder as an indication of the Purchase Yield or Purchase Price that may be paid by the District.

Based on these Benchmark Treasury Security yields, the following Purchase Prices would be derived:

[INSERT TABLES]

As a measure of the sensitivity of the Purchase Yield to changes in the yield on the Benchmark Treasury Security, the following table shows the impact on the Purchase Yield of a [0.10% (10 basis point)] movement in the yield on the Benchmark Treasury Security

[INSERT TABLES]

INVITATION TO TENDER FOR PURCHASE – PURCHASE PRICES (TAX-EXEMPT TARGET BONDS)

Pursuant to the Invitation, the Purchase Prices for the Tax-Exempt Target Bonds are listed below.

[INSERT TABLES]

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APPENDIX B
PRELIMINARY OFFICIAL
STATEMENT

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