

**NOTICE INVITING PROPOSALS FOR PURCHASE
OF GENERAL OBLIGATION BONDS**

\$64,500,000*
**ABC UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, 2018 ELECTION, SERIES A
(Los Angeles County, California)
(CURRENT INTEREST BONDS)**

NOTICE IS HEREBY GIVEN that electronic unconditioned proposals will be received to and including the hour of 9:00 a.m., Pacific Daylight Time, on July 10, 2019, at the offices of Piper Jaffray & Co., 2321 Rosecrans Avenue, Suite 3200, El Segundo, California 90245 (“Financial Advisor”), in the manner described below, for the purchase of all, but not less than all, of \$64,500,000* principal amount of ABC Unified School District General Obligation Bonds, 2018 Election, Series A (Los Angeles County, California) (“Bonds”). The Bonds will be issued only as current interest bonds, the interest on which is payable semiannually on each February 1 and August 1, commencing February 1, 2020. Proposals must be submitted electronically via **i-Deal LLC’s (“i-Deal”) Parity Electronic Bid Submission System (“PARITY”)**, a division of Thomson Information Services, Inc., in the manner described below, for the purchase of all, but not less than all, of \$64,500,000* principal amount of the Bonds. In the event that the sale has not been awarded by the designated time, bids will be received at a subsequent time and date to be determined by the ABC Unified School District (“District”) and publicized via *The Bond Buyer* or the *Bond Buyer Wire* and/or *Thomson Municipal Market Monitor* (www.tm3.com).

I. Definitions: Capitalized terms set forth below shall have the following meaning(s) for purposes of this Notice:

(a) **“Bonds”** means ABC Unified School District General Obligation Bonds, 2018 Election, Series A, as further described herein and in the Preliminary Official Statement, the interest on which accrues from the Dated Date and is payable semiannually on each February 1 and August 1 of each year commencing February 1, 2020.

(b) **“County”** means the County of Los Angeles, a political subdivision of the State.

(c) **“Dated Date”** means the date of initial issuance and delivery of the Bonds, or such other date as shall appear in the Official Statement.

(d) **“Notice”** means this Notice Inviting Proposals for Purchase of General Obligation Bonds, dated June 28, 2019, and as such may be amended or supplemented as described herein.

(e) **“Preliminary Official Statement”** means the Preliminary Official Statement for the Bonds as posted on the EMMA System (as described and defined herein).

(f) **“State”** means the State of California.

* Preliminary, subject to change.

II. Issue:

The Bonds will be dated the date of delivery thereof, will be in the denominations of \$5,000 principal amount each, or integral multiples thereof, and will bear interest from the date of delivery to the maturity of each of the Bonds at an interest rate such that the true interest cost (the “TIC”) shall not exceed 4.00%, with interest payable semiannually on February 1 and August 1 of each year during the term of each of the Bonds, commencing February 1, 2020. The Bonds shall be issued only as current interest bonds.

The Bonds will mature on August 1 in each of the years set forth in the following schedule:

<u>Maturity Date</u>	<u>Principal Amount*</u>	<u>Maturity Date</u>	<u>Principal Amount*</u>
2020	\$7,500,000	2034	\$1,845,000
2021	7,690,000	2035	2,065,000
2022	7,335,000	2036	2,275,000
2026	580,000	2037	2,500,000
2027	700,000	2038	2,740,000
2028	830,000	2039	2,995,000
2029	970,000	2040	3,235,000
2030	1,120,000	2041	3,490,000
2031	1,285,000	2042	3,755,000
2032	1,455,000	2043	4,075,000
2033	1,645,000	2044	4,415,000

(The Bonds will be dated the Dated Date - expected to be July 31, 2019)

III. Option to Designate Term Bonds:

The purchaser may elect to combine any number of consecutive maturities of Bonds for which an identical interest rate has been specified to comprise term bonds by indicating such an election in their bid. The election to create term bonds in such manner will require the creation of a mandatory sinking fund so that the sinking fund redemption payments shall equal the corresponding serial bond maturity amounts.

IV. Adjustment of Principal Amounts:

The estimated principal amount of each maturity of the Bonds set forth above reflect certain assumptions of the District and the Financial Advisor with respect to the likely interest rates of the winning bid or bids. Following the determination of the successful bidder or bidders, the Financial Advisor, on behalf of the District, reserves the right to alter the final maturity date, increase or decrease the principal amount of each maturity of the Bonds, in \$5,000 increments of principal amount, or eliminate maturities in their entirety. Such adjustment shall be made within 26 hours of the bid opening and in the sole discretion of the District, upon recommendation of the Financial Advisor. In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted and the successful bid or bids may not be withdrawn, and

* Preliminary, subject to change.

the successful bidder will not be permitted to change the interest rate(s) in its bid for the Bonds. The percentage compensation to be paid to the successful bidder will not change if the maturity schedule is adjusted.

V. Interest Rates:

All bids for the purchase of the Bonds must state the rate of interest to be paid for each maturity of Bonds offered and bid price for such Bonds. All Bonds of the same maturity must bear the same rate of interest and no Bond may bear more than one rate. The maximum interest rate bid for each maturity of the Bonds may not exceed five percent (5.00%), the Total Interest Cost (“TIC”) of the Bonds may not exceed four percent (4.00%), and the ratio of total debt service to principal amount of the Bonds may not exceed four to one (4:1). Bidders may specify any number of different rates to be borne on the Bonds; provided that, all interest rates must be in multiples of 1/8 or 1/20 of one percent and a zero rate of interest cannot be specified. Interest will be computed on the basis of a 360-day year consisting of twelve, 30-day months.

VI. Redemption:

The Bonds maturing on or before August 1, 2029, are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 2030, 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 August 1, 2029, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus interest accrued thereon to the date fixed for redemption, without premium.

VII. Notice of Redemption:

Notice of redemption of any Bond will be mailed to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the registration records maintained by the Paying Agent (as defined herein); such mailing to be not more than 60 nor less than 20 days prior to the date set for redemption. Neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of Bonds.

VIII. Initial Paying Agent:

U.S. Bank National Association has been appointed as the agent of the Treasurer and Tax Collector of Los Angeles County to act as the paying agent for the Bonds (“Paying Agent”).

IX. Costs of Issuance:

The successful bidder (purchaser) will not be required to pay any costs of issuance associated with the Bonds, except as described in Sections XXIII and XXIV. Such costs of issuance, including the winning bidder’s compensation, will be paid by the District solely from the aggregate proceeds of the Bonds eligible to be deposited into the Building Fund (as such term is defined in the Preliminary Official Statement) held by Los Angeles County on behalf of the District. The District reserves the right to instruct the winning bidder of the Bonds to retain from the purchase price of the Bonds an amount equal to the winning bidder’s compensation. The District further reserves the right to instruct the winning bidder to wire a portion of the purchase

price, in an amount not to exceed 2.0% of the principal amount of the Bonds, to U.S. Bank National Association, in its capacity as costs of issuance custodian for the Bonds.

X. Premium/Discount Bonds:

The District has elected to deposit the premium generated upon the sale of the Bonds into the Debt Service Fund for the Bonds (as such term is defined in the Preliminary Official Statement) established for the Bonds, to be used to pay interest on the Bonds. Premium deposited into the Debt Service Fund may not be used to pay principal of the Bonds.

Bidders may not bid a purchase price (calculated as principal plus premium minus the bidder's compensation) of more than 108% or less than 103.5% of the aggregate principal amount of the Bonds.

XI. Registration of Bonds as to Principal and Interest and Place of Payment:

The Bonds, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only, in the denominations of \$5,000 in Principal Amount, and integral multiples thereof. Purchasers will not receive physical certificates representing their interest in the Bonds purchased. Principal of and interest on the Bonds are payable in lawful money of the United States of America and will be paid to DTC which in turn will remit such amounts to the beneficial owners of the Bonds through DTC's Participants, as described in the Preliminary Official Statement.

XII. Authority:

The Bonds will be issued pursuant to the Constitution and laws of the State of California, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, related sections of the California Education Code and a resolution adopted by the Board of Education of the District. The issuance of the Bonds was authorized by the requisite 55% vote of the qualified electors of the District voting at an election conducted on November 6, 2018.

XIII. Security:

Both the principal of and interest on the Bonds are payable solely from the proceeds of an *ad valorem* property tax levied, without limitation as to rate or amount, upon all of the property within the District subject to taxation by the District (except certain personal property which is taxable at limited rates). Pursuant to the provisions of State law, the *ad valorem* taxes will be collected by the County Treasurer and Tax Collector's office, as further described within the Preliminary Official Statement. Tax revenues, when collected, will be deposited by the County into the Debt Service Fund, held by the County Treasurer, which fund is pledged for payment of principal and interest on the Bonds.

XIV. Form of Bid:

All bids must be submitted electronically via PARITY, pursuant to the procedures described below, and all such bids shall be deemed to constitute a Bid for Purchase of the Bonds

and shall be deemed to incorporate by reference all of the terms and conditions of this Notice. The submission of a bid electronically via PARITY shall constitute and be deemed the bidder's signature on the Bid for Purchase of the Bonds.

Bids may only be submitted electronically as specified in this Notice. Bids submitted by other means will not be considered.

XV. Procedures Regarding Electronic Bidding:

Bids must be submitted electronically via PARITY in accordance with this Notice Inviting Proposals for Purchase of Bonds, until 9:00 a.m., Pacific Daylight Time, on July 10, 2019, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice, the terms of this Notice shall control. For further information about PARITY, potential bidders may contact the District's Financial Advisor, Timothy Carty of Piper Jaffray & Co. at (310) 297-6011 or timothy.p.carty@pjc.com, or PARITY at i-Deal at (212) 849-5021. In the event that a bid for the Bonds is submitted via PARITY, the bidder further agrees that:

- (a) Once the bids are communicated electronically via PARITY to the District as described herein, each bid will constitute a Bid for Purchase of the Bonds and shall be deemed to be an irrevocable offer to purchase the Bonds on the terms provided in this Notice Inviting Proposals for Purchase of Bonds. If a bid submitted electronically via PARITY is accepted by the District, the terms of the Bid for Purchase of the Bonds and the Notice and the information that is electronically transmitted through PARITY (including information about the purchase price of the Bonds, the coupon interest rate to be borne by the various maturities of the Bonds, the initial public offering price of each maturity and any other information included in such transmission) shall form a contract and the successful bidder shall be bound by the terms of such contract.
- (b) PARITY is not an agent of the District, and the District shall have no liability whatsoever based on any bidder's use of PARITY, including but not limited to any failure by PARITY to correctly or timely transmit information provided by the District or information provided by the bidder.
- (c) The District may choose to discontinue use of electronic bidding via PARITY by issuing a notification to such effect via PARITY's internet site (www.tm3.com) no later than 1:00 P.M. (Pacific Time) on the last business day prior to the date of sale. In such case, a substitute bidding arrangement will be described in an amended Notice.
- (d) For purposes of submitting all Bids for Purchase of the Bonds, the time as maintained on PARITY shall constitute the official time. No bid received after the deadline shall be considered. In any case, each bid must be in accordance with the terms and conditions set forth in this Notice.
- (e) Each bidder shall be solely responsible to make necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance

with this Notice Inviting Proposals for Purchase of Bonds. Neither the District nor i-Deal shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the District nor i-Deal shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY. The District is using PARITY as a communication mechanism, and not as the District's agent, to conduct the electronic bidding for the Bonds.

- (f) The District, the Financial Advisor and Bond Counsel assume no responsibility for any error contained in any bid submitted electronically, or for failure of any bid to be transmitted; received or opened at the official time for receipt of bids.
- (g) By using PARITY, each bidder agrees to hold the District harmless for any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the Bonds.

XVI. Estimate of True Interest Cost:

Bidders are requested (but not required) to supply an estimate of the all in total true interest cost to the District on the basis of their respective bids, which shall be considered as informative only and not binding on either the bidder or the Board of Education of the District.

XVII. [Reserved]

XVIII. Qualification for Sale; Blue Sky:

The purchaser will assume responsibility for taking any action necessary to qualify the Bonds for offer and sale in jurisdictions other than California, and for complying with the laws of all jurisdictions on resale of the Bonds, and shall indemnify, defend and hold harmless the District and their respective officers and officials from any loss or damage resulting from any failure to comply with any such law. Compliance with Blue Sky Laws shall be the sole responsibility of the purchaser, and the purchaser shall pay all fees and disbursements related to the qualification of the bonds for sale under the securities or Blue Sky laws of various jurisdictions. The District will furnish such information and take such action not inconsistent with law as the purchaser may request and the District shall deem necessary or appropriate to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the purchaser, provided, however, that the District shall not execute a general or special consent to service of process or qualify to do business in connection with such qualification or determination in any jurisdiction. The purchaser will not offer to sell, or solicit any offer to buy, the Bonds in any jurisdiction where it is unlawful for such purchaser to make such offer, solicitation or sale, and the purchaser shall comply with the Blue Sky and other securities laws and regulations of the states and jurisdictions.

XIX. Establishment of Issue Price:

- (a) The winning bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an "issue price" or similar

certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond Counsel, including, but not limited to, modifications in the event that the Competitive Sale Requirements (defined below) are not satisfied. All actions to be taken by the District under this Notice Inviting Proposals for Purchase of Bonds (this “Notice Inviting Proposals”) to establish the issue price of the Bonds may be taken on behalf of the District by the Financial Advisor and any notice or report to be provided to the District may be provided to the Financial Advisor.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “Competitive Sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Requirements”) because:

1. the District shall disseminate this Notice Inviting Proposals to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. all bidders shall have an equal opportunity to bid;
3. the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest TIC), as set forth in this Notice.

Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the District shall so advise the winning bidder. The District may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% Test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP® number within that maturity). The winning bidder shall advise the District if any maturity of the Bonds satisfies the 10% Test as of the date and time of the award of the Bonds. The District shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP® number within that maturity) of the Bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

1. the close of the fifth (5th) business day after the sale date; or
2. the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the District when the underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the District the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% Test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

(f) The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution

agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice. Further, for purposes of this Notice:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date that the Bonds are awarded by the District to the winning bidder.

XX. Award:

If the Bonds are awarded on the date of sale, the Bonds will be awarded to the responsible bidder submitting the best responsive bid, considering the coupon interest rate and the purchase price specified in the bid. The best bid will be the bid that conforms with the provisions of this Notice and represents the lowest TIC to the District for the Bonds, taking into consideration the interest rate specified, and premium thereon, if any. The TIC is the discount rate that, when compounded semiannually and used to discount all debt service payments on the Bonds back to the date of delivery of such Bonds, results in an amount equal to the purchase price bid for said Bonds. In the event that two or more bidders offer bids for the Bonds at the same lowest TIC, the District will determine by lottery which bidder will be awarded the Bonds. For the purpose of calculating the TIC, the mandatory sinking fund payments, if any, shall be treated as serial maturities in such years. The determination of the bid representing the lowest TIC will be made without regard to any adjustments made or contemplated to be made after the award by the Financial Advisor on behalf of the District, as described herein under “Adjustment of Principal Amounts,” even if such adjustments have the effect of raising the TIC of the successful bid to a level higher than the bid containing the next lowest TIC prior to adjustment. The District reserves the right to reject all bids submitted in its sole discretion.

XXI. Prompt Award:

The Superintendent or Assistant Superintendent-Business Services/CFO of the District, or their designee(s), will take action awarding the Bonds or rejecting all bids not later than twenty-six (26) hours after the expiration of the time herein prescribed for the receipt of bid proposals, unless such time of award is waived by the successful bidder. Notice of the award will be given promptly to the successful bidder.

XXII. Delivery:

Delivery of the Bonds will be made to the purchaser through DTC upon payment of the purchase price in federal funds payable to or for the account of the District according to such wire or other delivery instructions as shall be provided by the District or the Financial Advisor. The Closing will take place at the offices of Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, 20 Pacifica, Suite 1100, Irvine, California 92618, or at the purchaser’s request and expense, at any other place mutually agreeable to both the District and the purchaser, on July 31, 2019 (the Dated Date).

XXIII. CUSIP® Numbers and Other Fees:

The Financial Advisor has applied for CUSIP® numbers and the CUSIP® numbers will be printed on the Bonds. The cost of printing thereof and service bureau assignment will be the District’s responsibility. Any delay, error or omission with respect thereto will not constitute cause for the purchaser to refuse to accept delivery of and pay for the Bonds. The successful bidder shall be required to pay all fees required by The Depository Trust Company (DTC), Bond Market Association, Municipal Securities Rulemaking Board, and any other similar entity imposing a fee in connection with the issuance of the Bonds (see, “XXIV — Fees of the California Debt and Investment Advisory Commission” below).

XXIV. Fees of the California Debt and Investment Advisory Commission:

The successful bidder will be required, pursuant to State of California law, to pay any fees to the California Debt and Investment Advisory Commission (“CDIAC”). CDIAC will invoice the successful bidder after the closing of the Bonds.

XXV. Supplemental Certificate of Successful Bidder:

The successful bidder shall deliver to Bond Counsel, prior to the Dated Date, a completed and executed certificate in substantially the form attached hereto as Exhibit “B” and incorporated herein by this reference.

XXVI. Legal Opinion:

The Bonds are sold with the understanding that the purchaser will be furnished with the approving opinion of Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, Bond Counsel. A copy of the opinion will be attached to the Bonds. Said attorneys have been retained by the District as Bond Counsel and in such capacity are to render their opinion only upon the legality of the Bonds under State law and on the exemption of the interest income on such Bonds from federal and State income taxes. Fees of Bond Counsel will be paid by the District from the costs of issuance.

XXVII. Tax-Exempt Status:

In the opinion of Bond Counsel, based on existing statutes, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. At any time before the Bonds are tendered for delivery, the successful bidder may disaffirm and withdraw its proposal without penalty (and return of the Deposit) if the interest received by private holders from Bonds of the same type and character as the Bonds shall be declared to be taxable income under present federal income tax laws, either by a ruling of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable, or be required to be taken into account in computing federal income taxes (except alternative minimum taxes payable by corporations) by any federal income tax law enacted subsequent to the bid date.

XXVIII. District Deliveries at Closing:

On the Closing Date (Dated Date) the District shall deliver, or cause to be delivered, the following documents:

- (a) The District will deliver a certificate stating that no litigation is pending affecting the issuance and sale of the Bonds.
- (b) The District will deliver a tax/arbitrage certificate covering its reasonable expectations concerning the Bonds and the use of proceeds thereof.

- (c) The executed Continuing Disclosure Certificate (see XXX - Continuing Disclosure herein).
- (d) The executed Official Statement Certification (see XXIX - Official Statement herein).

XXIX. Official Statement:

The District will make available a Preliminary Official Statement, a copy of which, along with related documents, will be furnished upon request made to Piper Jaffray & Co., 2321 Rosecrans Avenue, Suite 3200, El Segundo, California 90245, Attn: Timothy Carty, timothy.p.carty@pjc.com, the District's Financial Advisor, or telephoned to said Financial Advisor at (310) 297-6011. Such Preliminary Official Statement, together with any supplements thereto, shall be in a form "deemed final" by the District for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final version thereof ("Official Statement").

Each bidder is responsible for reading the entire Preliminary Official Statement prior to bidding on the Bonds, to obtain information essential to the making of an informed decision to bid. This Notice contains certain information for general reference only, and is not a complete summary of the issue. The Internet posting of the Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the securities described in the Preliminary Official Statement, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Copies of the Official Statement will be made available to the purchaser without charge, up to an amount of 10 copies, within seven business days of the date of sale and additional copies will be made available upon request at the purchaser's expense.

The District will deliver, at the closing, a certificate executed by an authorized officer of the District, acting in their official capacity, to the effect that the Official Statement does not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

The District undertakes that for a certain period of up to twenty-five (25) days following the end of the "underwriting period" as defined in Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934 (the "Rule"), it will (i) apprise the winning bidder if any event shall occur, or information comes to the attention of the District that, in the reasonable judgment of the District, is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (ii) if requested by the winning bidder, prepare a supplement to the final Official Statement with respect to such event or information. The District will presume, unless notified in writing by the winning bidder, that the end of the underwriting period will occur on the date of the delivery of the Bonds. By making a bid on the Bonds, the winning bidder agrees (i) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any supplements prepared by the District, and to

file a copy of the final Official Statement, including any supplements prepared by the District, with the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access (“EMMA”) system (as provided by the Rule) within one business day after receipt thereof from the District or its designee, but in any event, no later than the date of closing and (ii) to take any and all other actions necessary to comply with the applicable rules of the Securities and Exchange Commission and the MSRB governing the offering, sale and delivery of the Bonds to the ultimate purchasers.

XXX. Continuing Disclosure:

In order to assist bidders in complying with the Rule, the District will undertake in a Continuing Disclosure Certificate to provide certain annual financial information and notices of the occurrence of events listed therein. A description of this undertaking and a form of the Continuing Disclosure Certificate are included in the Preliminary Official Statement.

XXXI. Ratings:

Moody’s Investors Service and S&P Global Ratings have assigned to the Bonds the ratings shown on the cover page of the Preliminary Official Statement or, if not so indicated, will be available upon request from the Financial Advisor. Such ratings reflect only the views of such organizations and an explanation of the significance of such ratings may be obtained from such agencies as follows: Moody’s Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, NY 10007 and S&P Global Ratings, 55 Water Street, New York, NY 10041. There is no assurance that the ratings will continue for any given period of time or that it will not be revised downward or withdrawn entirely by either of the rating agencies, if, in the judgment of such agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

XXXII. Right to Cancel, Postpone, or Reschedule Sale:

The District reserves the right to cancel, postpone or reschedule the sale of the Bonds upon notice given through the Bloomberg News Service, Thomson Municipal Market Monitor (www.tm3.com) or *The Bond Buyer* not later than 1:00 p.m. (California time) on the day prior to the date bids are to be received. If the sale is postponed, bids will be received at the place set forth above, at the date and time as the District shall determine in its sole discretion. Notice of the new sale date and time, if any, will be given through Bloomberg News Service, Thomson Municipal Market Monitor (www.tm3.com) or *The Bond Buyer* no later than twenty-three (23) hours prior to the new time bids are to be received. As an accommodation to bidders, telephone or fax notice of the postponement of the sale date and of the new sale date will be given to any bidder requesting such notice from the Financial Advisor. Failure of any bidders to receive such notice shall not affect the legality of the sale.

XXXIII. Additional Information:

Copies of the Notice and the Preliminary Official Statement relating to the Bonds will be furnished to any bidder upon request made to Piper Jaffray & Co., Attn: Timothy Carty, phone: (310) 297-6011, timothy.p.carty@pjc.com, the Financial Advisor to the District.

Dated: June 28, 2019

ABC UNIFIED SCHOOL DISTRICT

/S/ Toan Nguyen

By: _____

Title: Assistant Superintendent-Business
Services/CFO

EXHIBIT “A”

§ _____
**ABC UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, 2018 ELECTION, SERIES A
(Los Angeles County, California)**

CERTIFICATE OF THE PURCHASER
(Issue Price)

The undersigned, on behalf of _____, hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by _____ are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by _____ in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by _____ to purchase the Bonds.

(b) _____ was not given the opportunity to review other bids prior to submitting its bid.¹

(c) The bid submitted by _____ constituted a firm offer to purchase the Bonds.

2. Defined Terms.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2019.

¹ Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

- (d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents _____'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the ABC Unified School District (the "District") with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

Dated: _____, 2019 _____, as Underwriter

By: _____
Name: _____

SCHEDULE A
EXPECTED OFFERING PRICES

(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

EXHIBIT “B”

**§ _____
ABC UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS, 2018 ELECTION, SERIES A
(Los Angeles County, California)**

SUPPLEMENTAL CERTIFICATE OF THE PURCHASER

This certificate is being delivered by an authorized officer of _____ (“Purchaser”) in connection with the issuance of the \$ _____ ABC Unified School District General Obligation Bonds, 2018 Election, Series A (“Bonds”). The Purchaser hereby makes the representations, and provides the certifications, contained in this certificate based on the information available to it to the ABC Unified School District (“District”) and to Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, Bond Counsel to the District, as follows:

1. Form of Continuing Disclosure Document Satisfactory

The Purchaser has reviewed the Continuing Disclosure Certificate (“Continuing Disclosure Certificate”) provided by the District in connection with the Bonds (in the form set out in the Official Statement) and has reasonably determined that the District's undertaking to provide continuing disclosure with respect to the Bonds in the form of the Continuing Disclosure Certificate is sufficient to effect compliance with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended

2. No Financial Advisory Relationship

- (i) The Purchaser has, and has had, no financial advisory relationship with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Purchaser has or has had any such financial advisory relationship, within the meaning of California Government Code Section 53590, or otherwise.
- (ii) In connection with the issuance, sale and delivery of the Bonds, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of the District.
- (iii) The Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the District with respect to (a) the offering of the Bonds or the process leading thereto (whether or not the Purchaser has advised or is currently advising the District on other matters) or (b) any other obligation to the District except the obligations expressly set forth in the bid documents concerning the Bonds and the Purchaser’s bid submitted for the Bonds.

3. Defined Terms

Capitalized terms used in this certificate, unless otherwise defined herein, shall have the meaning(s) given to such terms in the resolution of the Board of Education of the District (Resolution No. 18-78) adopted on May 7, 2019 (“Bond Resolution”).

Dated: _____, 2019 _____

By: _____

Title: _____