

NOTICE OF SALE

\$4,990,000*
CERTIFICATES OF PARTICIPATION
(ST. CHARLES COMMUNITY COLLEGE, LESSEE)
SERIES 2017

Request for Bids. St. Charles Community College (the “College”) will receive bids electronically via **PARITY®** (as more fully described below) for the purchase of \$4,990,000* principal amount of Certificates of Participation (St. Charles Community College, Lessee), Series 2017 (the “Certificates”), on an all-or-none basis, at the following time and place:

TIME: **Until 11:00 a.m. Central Time**
 Wednesday, February 22, 2017*
 (the “Submittal Time”)

PLACE: **Office of the Vice President for Administrative Services**
 St. Charles Community College
 4601 Mid Rivers Mall Drive
 Cottleville, Missouri 63376

All bids will be read and evaluated at said time and place, and the award of the Certificates will be made on the sale date.

Terms of the Certificates. The Certificates will consist of fully-registered certificates in the denomination of \$5,000 or any integral multiple thereof.

The Certificates will be dated the date of their initial delivery, and will become due in principal installments on March 1 in the years as follows:

<u>Stated Maturity</u> <u>(March 1)*</u>	<u>Principal</u> <u>Amount*</u>	<u>Stated Maturity</u> <u>(March 1)*</u>	<u>Principal</u> <u>Amount*</u>
2018	\$185,000	2028	\$245,000
2019	190,000	2029	255,000
2020	195,000	2030	260,000
2021	200,000	2031	270,000
2022	205,000	2032	280,000
2023	215,000	2033	290,000
2024	220,000	2034	300,000
2025	225,000	2035	315,000
2026	235,000	2036	325,000
2027	240,000	2037	340,000

Any bidder electing to designate one or more maturities of term certificates shall specify the current serial certificates by year of maturity that are to comprise the term certificates. The final year designated shall be deemed the year of maturity of the term certificates. Term certificates shall be subject

* Subject to change as provided under the captions “Pre-Bid Revisions,” “Post-Bid Revisions” and “Alternative Sale Date” herein.

to mandatory sinking fund prepayment by lot in the amounts currently specified for the serial certificates, at a prepayment price of 100% of the principal amount thereof. For purposes of computing the true interest cost (as hereinafter defined) and awarding the Certificates, the maturity of such term certificates shall be treated as if the amounts subject to mandatory sinking fund prepayment are equal to the amounts and mature on the dates currently specified as serial certificates.

The Certificates will bear interest from the date thereof at rates to be determined when the Certificates are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on September 1, 2017.

When delivered, the Certificates will be registered in the name of Cede & Co., as Certificate Owner and nominee for Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Certificates. Purchases of the Certificates will be made in book-entry only form in the denomination of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their interest in Certificates purchased. So long as Cede & Co. is the Certificate Owner, as nominee of DTC, references to the Certificate Owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined in the Preliminary Official Statement) of the Certificates. See **“THE SERIES 2017 CERTIFICATES – Book-Entry Only System”** in the Preliminary Official Statement.

It shall be the obligation of the successful bidder to furnish to DTC an underwriters’ questionnaire. It shall be the obligation of the successful bidder to qualify the Certificates, if such qualification is necessary, in the jurisdictions in which it intends to reoffer the Certificates.

Capitalized Terms. Any capitalized terms not defined herein shall have the meanings ascribed for them in the Preliminary Official Statement, hereinafter described.

Place of Payment. UMB Bank, N.A., St. Louis, Missouri (the “Trustee”), has been designated as the Trustee for the Certificates. The Principal Portion of Basic Rent of each Certificate will be payable at maturity or upon earlier prepayment to the registered owner upon presentation and surrender of such Certificate at the payment office of the Trustee. The Interest Portion of Basic Rent on each Certificate will be paid to the Registered Owner of such Certificate as shown on the Certificate Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Trustee to the address of such Registered Owner shown on the Certificate Register or (b) by electronic transfer to (1) the Securities Depository or (2) an Owner upon written notice given to the Trustee by such Owner not less than 15 days prior to the Record Date for such interest, such notice containing electronic transfer instructions including the name of the bank, the bank’s ABA routing number and the account number to which such Owner wishes to have such transfer directed and an acknowledgement that an electronic transfer fee may be applicable.

Prepayment of Certificates Prior to Maturity. At the option of the College, the Certificates or portions thereof maturing on March 1, 2026 and thereafter will be subject to prepayment prior to maturity on March 1, 2025 and thereafter in whole or in part at any time in such order of maturity determined by the College (Certificates of less than a single maturity to be selected in multiples of \$5,000 principal amount), at the prepayment price of 100% of the principal amount thereof, plus accrued interest thereon to the prepayment date.

The Certificates are subject to optional prepayment, as a whole but not in part, at a prepayment price equal to 100% of the Principal Portion of Basic Rent represented thereby plus the Interest Portion of Basic Rent accrued to the prepayment date, in the event of substantial damage to or destruction or condemnation (other than by the College or any entity controlled by or otherwise affiliated with the

College) of, or loss of title to, substantially all of the Leased Property, or as a result of changes in the constitution of the State or legislative or administrative action by the State or the United States, the Base Lease or the Lease becomes unenforceable, and the College purchases the Trustee's interest in the Leased Property pursuant to the Lease.

Conditions of Bids. Proposals will be received on the Certificates bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all Certificates of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. The interest rate on the Certificates must be no less than 1.0%, shall not exceed 5.0% and the difference between the highest rate specified and the lowest rate specified on the Certificates shall not exceed 4.0%. No supplemental interest payments will be authorized. No bid shall be for less than 100% or more than 110% of the principal amount of the Certificates and accrued interest. Each bid shall specify the total interest cost (expressed in dollars) during the life of the Certificates on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost (expressed in dollars) on the basis of such bid and the average annual net interest rate (expressed as a percentage) on the basis of such bid. Each bidder agrees that, if it is awarded the Certificates, it will provide to the College the certification as to initial offering prices described under the caption "Certification as to Offering Price" and attached hereto as **Exhibit A**.

Basis of Award. The award of the Certificates will be made on the basis of the lowest true interest cost ("TIC") as follows: the TIC is the discount rate (expressed as a per-annum percentage rate) which when used in computing the present value of all payments of principal and interest on the Certificates, from the payment dates to the date of the Certificates, produces an amount equal to the price bid, but excluding interest accrued to the date of delivery. Present value shall be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. If two or more proper bids providing for identical amounts for the lowest true interest cost are received, the College in its sole discretion shall determine which bid, if any, shall be accepted, and its determination shall be final.

Pre-Bid Revisions. The College reserves the right to issue a Supplemental Notice of Sale not later than 48 hours prior to the sale date via the MUNIFACTS News Service ("Supplemental Notice"). If issued, the Supplemental Notice may modify (a) the maturity amounts and/or maturity dates of the Certificates and/or (b) such other terms of this Notice of Sale (the "Notice") as the College determines. Any such modifications will supersede the maturities and such other terms as set forth herein.

Post-Bid Revisions. After bids are received on the sale date, the College may, in its discretion, revise the maturities of the Certificates; provided, that the principal amount of any maturity shall not be increased or decreased by an amount in excess of 20% and the aggregate issue size shall not be increased or decreased by more than 10%. **The successful bidder may neither withdraw nor modify its proposal as a result of any post-bid revisions to the Certificates made by the College.**

Alternative Sale Date. The College reserves the right to cancel or postpone, from time to time, the date or time established for the receipt of bids and in such event, the cancellation or postponement will be announced via MUNIFACTS News Service at least 48 hours prior to the time established for the receipt of bids. Following a postponement, a new date and time of sale will be announced via MUNIFACTS News Service at least 48 hours prior to the time bids are to be submitted. On such alternative sale date, bidders shall submit bids for the purchase of the Certificates in conformity with the provisions of this Notice, subject to any pre-bid revisions announced via MUNIFACTS News Service as provided under the caption "Pre-Bid Revisions" herein.

Authority, Purpose and Security. The Certificates are being delivered pursuant to the Constitution and laws of the State of Missouri. The Certificates represent undivided interests in Basic

Rent to be paid by the College pursuant to an annually-renewable Lease Purchase Agreement dated as of March 1, 2017 (the “Lease”), between the Trustee, as lessor, and the College, as lessee. The Trustee will agree to execute and deliver the Certificates pursuant to a Declaration of Trust dated as of March 1, 2017 (the “Declaration of Trust”) for the purpose of providing funds to (a) acquire a two-story, approximately 69,692 square-foot building and improving and furnishing the building to accommodate an expansion of the College’s Nursing & Allied Health programs and (b) pay the costs of executing and delivering the Certificates. Under the Lease, the College will agree to pay Basic Rent consisting of a Principal Portion and an Interest Portion, but only if and to the extent that the Board of Trustees of the College annually appropriates sufficient money to pay the Basic Rent coming due during each succeeding Renewal Term. The Certificates represent undivided proportionate interests in the Basic Rent.

None of the Certificates, the Lease or any payments required under the Lease will (a) constitute a mandatory payment obligation of the College in any year beyond the year during which the College is a lessee under the Lease or (b) give rise to a general obligation or other indebtedness of the College. The College is not legally obligated to budget or appropriate money for any fiscal year beyond the current fiscal year or any subsequent fiscal year in which the Lease is in effect, and there can be no assurance that the College will appropriate funds to make Basic Rent or renew the Lease after the Initial Term or any Renewal Term. The College may terminate its obligations under the Lease on an annual basis.

Ratings. Moody’s Investors Service, Inc. (“Moody’s”) has assigned the Certificates the rating of “Aa2.” Any explanation as to the significance of such rating may only be obtained from Moody’s.

Legal Opinion. The Certificates will be sold subject to the approving legal opinion of Gilmore & Bell, P.C., St. Louis, Missouri, Special Tax Counsel to the College, which opinion will be furnished and paid for by the College and delivered to the successful bidder when the Certificates are delivered. The Certificates are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). Reference is made to the Preliminary Official Statement for a discussion of federal and Missouri income tax matters relating to the interest on the Certificates.

Certification as to Offering Prices. To provide the College with information necessary for compliance with Section 148 of the Code, the successful bidder will be required to complete, execute and deliver to the College, prior to the delivery of the Certificates, a certificate substantially in the form attached hereto as **Exhibit A** regarding the “issue price” (as defined in Section 148 of the Code) of the Certificates, reflecting the initial offering prices (expressed as dollar prices) at which a substantial amount (i.e., 10% or more) of the Certificates of each maturity have been or are expected to be sold to the public. The term “public” excludes bond houses, brokers or similar persons, or organizations acting in the capacity of underwriters or wholesalers. Such certificate shall state that 10% or more of such Certificates of each maturity have been or are expected to be sold to the public at prices no higher than such initial offering prices. However, such certificate may indicate that the successful bidder will not reoffer such Certificates for sale.

At the request of the College, the successful bidder shall provide information explaining the factual basis for the successful bidder’s issue price certification. This agreement by the successful bidder to provide such information will continue to apply after the delivery date of the Certificates if (a) the College requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (b) the information is required to be retained by the College pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

In addition, the successful bidder shall provide such issue prices to the College and its Financial Advisor not less than 20 minutes after notification by the College or its Financial Advisor of acceptance of its bid for the Certificates.

Delivery and Payment. The College will deliver the Certificates to the Trustee, which will either hold the Certificates as DTC's "FAST" agent or deliver the Certificates to DTC. The successful bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and delivery of the Certificates and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Certificates affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement (including a statement that the College has not made an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading). Payment for the Certificates shall be made in federal reserve funds, immediately available for use by the College.

Good Faith Deposit. The apparent winning bidder of the Certificates (the "Purchaser") is required to submit a good faith deposit (the "Deposit") in the form of an electronic transfer of federal reserve funds immediately available for use by the College, as instructed by the College or its Financial Advisor, in an amount equal to 2% of the principal amount of the Certificates, no later than two hours after the Submittal Time. If the electronic transfer is not received at the time indicated above, the College will abandon its plan to award to such Purchaser, and will contact the next highest bidder and offer said bidder the opportunity to become the Purchaser, on the terms as outlined in said bidder's bid, so long as said bidder submits a good faith electronic transfer within two hours of the time offered. The College will not award the Certificates to the Purchaser absent receipt of the Deposit prior to action awarding the Certificates. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Certificates. If the Purchaser fails to honor its bid, the Deposit will be retained by the College as full and complete liquidated damages.

The College's wire instructions are as follows:

Bank Name:	Commerce Bank
ABA Number:	101000019
Account Number:	175508819
Beneficiary Name:	St. Charles Community College
Reference:	Good Faith Deposit, Series 2017 Certificates

CUSIP Numbers. CUSIP identification numbers will be printed on the Certificates, but neither the failure to print such number on any Certificate nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Certificates in accordance with the terms of this Notice. All expenses relating to the assignment and printing of CUSIP numbers on the Certificates will be paid by the College.

Bids. Each proposal must be submitted via **PARITY**[®] in accordance with this Notice until 11:00 a.m., Central Time, on February 22, 2016. To the extent any instructions or directions set forth in **PARITY**[®] conflict with this Notice, the terms of this Notice shall control. Electronic bids via **PARITY**[®] must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice. Bids for the Certificates must be received prior to the Submittal Time. Each bid must be accompanied by the Deposit for the Certificates, which may be submitted separately, provided such Deposit, if an electronic transfer, is received by the College not later than two hours after the Submittal Time. The College shall not be responsible for any failure, misdirection or error in the means of transmission

selected by any bidder. Bids received after the Submittal Time will not be considered. The College reserves the right to waive irregularities and to reject any or all bids.

PARITY®. Information about the electronic bidding services of **PARITY®** may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, NY 10018 (tel: (800) 850-7422) and from the following website: www.newissuehome.i-deal.com.

Preliminary Official Statement and Official Statement. The College has prepared a Preliminary Official Statement, copies of which may be obtained from the Vice President for Administrative Services or the Financial Advisor. The College has deemed the Preliminary Official Statement to be “final” as of its date for purposes of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, except for the omission of certain information as permitted by Rule 15c2-12(b)(1).

Upon the sale of the Certificates, the College will adopt the final Official Statement and will furnish the successful bidder with a sufficient quantity of such Official Statements within seven business days of the acceptance of the successful bidder’s proposal to comply with Rule 15c2-12(b)(4) of the Securities and Exchange Commission and Rule G-32 of the Municipal Securities Rulemaking Board. The College’s acceptance of the successful bidder’s proposal for the purchase of the Certificates shall constitute a contract between the College and the successful bidder for purposes of said Rules. Additional copies may be ordered by the successful bidder at its expense.

Continuing Disclosure. The College will agree in the resolution authorizing the Certificates (the “Resolution”) to comply with and carry out all of the provisions of the Adoption Agreement dated as of March 1, 2017 relating to the Omnibus Continuing Disclosure Agreement dated as of October 1, 2016, under which the College covenants to provide, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Rule”) and as described in greater detail in Appendix C to the Preliminary Official Statement, the following information with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access system: (a) within 180 days following the end of each fiscal year of the College, commencing with the fiscal year ending June 30, 2017, certain annual financial information and operating data, including audited financial statements for the prior fiscal year, and (2) within 10 business after the occurrence thereof, notice of the occurrence of certain enumerated events.

The College believes that in the past five years it has complied in all material respects with its prior undertakings under the Rule, except that the College failed to file certain operating data as required by its prior undertakings for fiscal years 2011 and 2012.

Additional Information. Additional information regarding the Certificates may be obtained from the Vice President for Administrative Services ((636) 922-8359) or from the Financial Advisor, Michelle Bock, Piper Jaffray & Co., 8235 Forsyth Boulevard, Suite 600, St. Louis, Missouri 63105 ((314) 726-7532).

DATED this 13th day of February, 2017.

ST. CHARLES COMMUNITY COLLEGE

By: /s/ Barbara R. Kavalier, Ph.D.
President

EXHIBIT A

RECEIPT FOR CERTIFICATES

ST. CHARLES COMMUNITY COLLEGE

\$ _____
CERTIFICATES OF PARTICIPATION
(ST. CHARLES COMMUNITY COLLEGE, LESSEE)
SERIES 2017

The undersigned, as the purchaser of the above-referenced Certificates (the "Certificates") of the St. Charles Community College (the "College"), hereby certifies as follows:

1. Receipt for Certificates. We acknowledge receipt on the date hereof of the Certificates, consisting of fully-registered Certificates numbered from 1 consecutively upward in the denomination of \$5,000 each or integral multiples thereof, dated as of the date of original delivery and payment therefor, delivered pursuant to the Declaration of Trust.

2. Public Offering. All of the Certificates have been the subject of an initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of purchasers or wholesalers), at prices no higher than those shown on the inside cover of the Official Statement relating to the Certificates. On the basis of information available to us which we believe to be correct, we expect that at least 10 percent of the Certificates of each maturity will be sold to the public at initial offering prices no higher than said offering prices. The aggregate offering price of the Certificates is \$ _____. At the request of the College, the undersigned will provide information explaining the factual basis for the undersigned's certification of the aggregate offering price. This agreement by the undersigned to provide such information will continue to apply after the delivery date of the Certificates if (a) the College requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (b) the information is required to be retained by the College pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

3. Reliance. The College may rely on the foregoing representations in making its certification as to issue price of the Certificates under the Internal Revenue Code of 1986, as amended (the "Code"), and bond counsel may rely on the foregoing representations in rendering their opinion on the exclusion from federal gross income of the interest on the Certificates; provided, however, that nothing herein represents our interpretation of any laws, and in particular, regulations under section 148 of the Code.

DATED: _____, 2017.

[PURCHASER]

By: _____
Title: _____