

NOTICE OF SALE

\$2,750,000*
CITY OF RAYMORE, MISSOURI
GENERAL OBLIGATION BONDS
SERIES 2017

NOTICE IS HEREBY GIVEN that these Bonds will be offered for sale according to the following terms:

TIME AND PLACE

Electronic bids will be received on behalf of the City of Raymore, Missouri (the "City") via PARITY® **until 11:00 A.M., Central Time, on Monday, April 10, 2017** (the "Sale Date") for the purchase of \$2,750,000* General Obligation Bonds, Series 2017 (the "Bonds"). All bids will be publicly opened and reviewed at said time and place and will be acted upon by the City at its meeting that evening on the Sale Date. No oral or auction bids will be considered. The City reserves the right to issue a Supplemental Notice of Sale not later than 24 hours prior to the Sale Date through MuniHub ("Supplemental Notice"). If issued, the Supplemental Notice may modify such terms of this Notice of Sale as the City determines, including the date and time of the sale. Any such modifications will supersede the terms as set forth herein.

FORM OF BIDS

Bids must be submitted on or in substantial compliance with the Official Bid Form provided through PARITY® (the "Electronic Bid System"). During the electronic bidding, no bidder will see any other bidder's bid or the status of their bid relative to other bids (i.e., whether their bid is a leading bid). Bidders may modify or cancel their bid at any time up to the end of the bidding. If provisions of this Notice of Sale conflict with those of the Electronic Bid System, this Notice of Sale shall control. The City and Piper Jaffray & Co. (the "Municipal Advisor") shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of a sealed bid, facsimile bid or electronic bid, or the means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be received after 11:00 A.M., Central Time, on the Sale Date. The time as maintained by the Electronic Bid System shall constitute the official time with respect to all Bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered. Electronic bids must be submitted through the Electronic Bid System. Information about the Electronic Bid System may be obtained by contacting PARITY® at i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, (800) 850-7422 or (212) 849-5000 and from the following website: www.newissuehome.i-deal.com.

Each bidder shall be solely responsible for making necessary arrangements to access the Electronic Bid System for purposes of submitting its electronic bid in a timely manner and in compliance with the requirements of this Notice of Sale. The City is permitting bidders to use the services of the Electronic Bid System solely as a communication mechanism to conduct the electronic bidding, and the Electronic Bid System is not an agent of the City. Provisions of this Notice of Sale or the Official Bid Form shall control in the event of conflict with information provided by the Electronic Bid System. The City shall not be responsible for proper operation of, or have any liability for, any delays, interruptions, or damages caused by the use of the Electronic Bid System. The use of the Electronic Bid System shall be at the bidder's risk and expense, and the City and its agents shall have no liability with respect thereto. The bids must be received as provided herein and by the time specified. The City is not bound by any advice or

* *Preliminary; subject to change.*

determination of the Electronic Bid System to the effect that any particular bid complies with the terms of this Notice of Sale and the bid specifications. An electronic bid made through the facilities of the Electronic Bid System shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale, and such bid shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City or its Municipal Advisor.

SECURITY AND PURPOSE

The Bonds are general obligations of the City, being issued pursuant to the constitution and laws of the State of Missouri and the City's charter, and taxable property in the territory of the City is subject to ad valorem taxes without limitation as to rate or amount to pay the Bonds. The Bonds are being issued to provide funds for the purposes of constructing park improvements and road improvements. The Bonds are more particularly described in the Preliminary Official Statement and the Official Statement. See "OFFICIAL STATEMENT" herein.

DATE, MATURITIES, AND REDEMPTION

The Bonds will be issued as fully registered bonds without coupons and, when issued, will be in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. The Bonds will be dated their date of delivery and will become due on March 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u> [*]
2018	\$200,000
2019	420,000
2020	250,000
2021	260,000
2022	270,000
2023	280,000
2024	240,000
2033	155,000
2034	160,000
2035	165,000
2036	170,000
2037	180,000

In order to properly structure the transaction with respect to the project costs expected for the purposes authorized by the Bonds, the City reserves the right, on the date of the award of the Bonds to the successful bidder, in the City's sole discretion, to increase or decrease the principal amount of any maturity and the total principal amount of the Bonds depending on the interest rates bid and the bid premium, if any; provided, however, that the total principal amount of the Bonds will not be decreased by more than 15%, and that the principal amount of any maturity will not be increased or decreased by more than 15% without the consent of the successful bidder. Any such increase or reduction will be made in multiples of \$5,000 in any of the maturities. The successful bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount as described herein. In the event there is an increase or decrease in the final principal amount per maturity as described above, the successful bidder will be notified on the Sale Date by telephone, fax or email of such increases or decreases promptly after the sale and prior to the award of the bid by the City. In the event that the maturity amounts of the Bonds are adjusted, the purchase price will be adjusted to ensure that the

* Preliminary; subject to change.

percentage net compensation (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the City by (ii) the principal amount of the Bonds) remains constant.

A bidder may elect to have all or a portion of the Bonds scheduled to mature consecutively issued as one or more term bonds scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, and subject to the bidder making such an election by including such information in its bid. Not less than all the Bonds of a single maturity may be converted to term bonds.

At the option of the City, the Bonds may be called for redemption and payment prior to maturity on March 1, 2024 and thereafter, in whole or in part at any time at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date. Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the outstanding Bonds are to be redeemed, such Bonds shall be redeemed from the stated maturities selected by the City, and Bonds of less than a full stated maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

Interest on the Bonds will be payable on March 1 and September 1 of each year commencing September 1, 2017. Interest on the Bonds will be computed on a 360-day year, 30-day month basis and paid to the owners of record as of the close of business on the fifteenth day of the immediately preceding month. Security Bank of Kansas City, Kansas City, Kansas will serve as paying agent and bond registrar for the Bonds (the "Paying Agent"). Payments coming due on a non-business day will be payable the following business day. Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the payment office of Security Bank of Kansas City, Kansas City, Kansas, Paying Agent. Interest shall be paid to the registered owners of the Bonds as shown on the bond register at the close of business on the record date for such interest (a) by check or draft mailed by the Paying Agent to the address of such registered owners shown on the bond register, (b) at such other address as is furnished to the Paying Agent in writing by any registered owner or (c) in the case of an interest payment to any registered owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such registered owner upon written notice given to the Paying Agent by such registered owner, not less than 5 days prior to the record date for such interest, containing the electronic transfer instructions including the name and address of the bank (which shall be in the continental United States), ABA routing number, account name and account number to which such registered owner wishes to have such transfer directed.

BOOK-ENTRY-ONLY SYSTEM

The Bonds will initially be issued exclusively in "book entry" form and shall be initially registered in the name of Cede & Co., as the nominee of DTC, and no beneficial owner will receive certificates representing their interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the City will make payments of principal of, premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds; DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The City will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that (i) DTC determines not to continue to act as securities depository for the Bonds, or (ii) the City determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the City will discontinue the book-entry-only form of registration with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City will cause to be authenticated and delivered to the beneficial owners replacement Bonds in the form of fully registered certificates. Reference is made to the Preliminary Official Statement and the

Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

TYPE OF BID

Bids for a purchase price of not less than 105% of the principal amount of the Bonds must be received. The initial price to the public for all the Bonds must not be for more than 110% of the principal amount of the Bonds, and the interest rate on each Bond shall not exceed 5.00%. Rates shall be in integral multiples of 1/100 or 1/8 of 1%, with no zero coupon bonds allowed. The same rate shall apply to all Bonds of the same maturity. No supplemental interest payments will be authorized. Interest will be computed on a 30-day month, 360-day-year basis. Bids shall be submitted electronically and must be received prior to 11:00 A.M., Central Time, on the Sale Date.

GOOD FAITH DEPOSIT

To have its bid considered for award, the lowest bidder is required to submit a good faith deposit to the City in the amount of \$55,000 (the "Deposit") no later than 1:30 P.M., Central Time, on the Sale Date. The Deposit shall be delivered as described herein by electronic transfer. The lowest bidder shall be solely responsible for the timely delivery of their Deposit. Neither the City nor the Municipal Advisor have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the City may, at its sole discretion, reject the bid of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder. A Deposit made by electronic transfer will be considered timely delivered to the City upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from the Municipal Advisor following the receipt and tabulation of bids. The successful bidder must send an email including the following information: (i) the federal reference number and time released, (ii) the amount of the wire transfer, and (iii) the issue to which it applies. Once an award has been made, the Deposit received from the successful bidder will be retained by the City and no interest will accrue to the successful bidder. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the successful bidder fails to comply with the accepted bid, said amount will be retained by the City.

AWARD

Bids will be compared on the basis of true interest cost ("TIC"). The bid offering the lowest TIC will be deemed most favorable. The TIC is computed as the discount rate that, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the Bonds, produces an amount equal to the purchase price. If two or more bids provide the same lowest TIC, the City shall determine which bid shall be accepted, and such determination shall be final.

To provide the City with information necessary for compliance with Section 148 of the Code, the successful bidder will be required to complete, execute and deliver to the City prior to the delivery of the Bonds, a certificate regarding the "issue price" of the Bonds (as defined in Section 148 of the Code). For Bonds reoffered for sale, this certificate is intended to reflect the initial offering prices (excluding accrued interest and expressed as dollar prices) at which a substantial amount (i.e., 10% or more) of the Bonds of each maturity have been or are expected to be sold to the public. Prior to delivery of the Bonds, the successful bidder will execute and deliver to the City a written certification (the "Issue Price Certificate") containing the following: (1) the initial offering price and interest rate for each maturity of the Bonds, (2) a statement that all of the Bonds of each maturity were offered to the public in a bona fide public offering at the initial offering prices on the Sale Date, and (3) a statement that, on the Sale Date, the successful bidder reasonably expected that at least 10% of each maturity of the Bonds would be sold to the public at prices not higher than the initial offering prices. For purposes of the preceding sentence, "public" means persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. In the alternative, for Bonds not reoffered for sale, such certificate may instead provide that the successful bidder has purchased the Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Bonds for sale.

At the request of the City, the successful bidder will provide information explaining the factual basis for the successful bidder's Issue Price Certificate. This agreement by the successful bidder to provide such information will continue to apply after the issue date of the Bonds if (1) the City requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (2) the information is required to be retained by the City pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

The City Council reserves the right to reject any and all bids, to waive any irregularity in any bid and to adjourn the sale.

On the Sale Date, the successful bidder will be required to execute and enter into with the City, a certificate setting out the final terms of the Bonds, including the principal amounts, interest rates and pricing per maturity and the redemption provisions.

RATING

Moody's Investors Service, Inc. has assigned a rating of "Aa2" for the Bonds. The rating is subject to withdrawal or modification at any time; withdrawal or modification of the rating may have an adverse effect on the marketability of the Bonds. For an explanation of the significance of the rating, an investor should communicate with the rating agency.

CUSIP NUMBERS

CUSIP numbers will be assigned to and printed on the Bonds at the expense of the City. In no event will the City, Bond Counsel, or the Municipal Advisor be responsible for the review of or express any opinion that the CUSIP numbers are correct. Incorrect CUSIP numbers on the Bonds shall not be cause for the successful bidder to refuse to accept delivery of the Bonds.

SETTLEMENT

The City will pay for printing the Bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder within 30 days of the sale of the Bonds, at DTC for the account of the successful bidder. The successful bidder for the Bonds will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds must be made in federal funds immediately available for use by the City. Delivery of the Bonds is anticipated on or about April 27, 2017.

LEGAL OPINION

The Bonds will be sold subject to the legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, whose approving legal opinion as to the validity of the Bonds will be furnished and paid by the City and delivered to the successful bidder for the Bonds as and when the Bonds are delivered.

CONTINUING DISCLOSURE

In order to permit prospective bidders for the Bonds and other participating underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the City will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds, in a Continuing Disclosure Certificate, to provide annual reports of specified information and notice of the occurrence of certain events, if material, as described in the Official Statement. The information to be provided on an annual basis, the events as to which notice is to be

given, and other provisions of the Continuing Disclosure Certificate, including termination, amendment and remedies, are summarized in the Official Statement.

OFFICIAL STATEMENT

This Notice of Sale contains certain information for quick reference only. It is not, and is not intended to be, a summary of the Bonds. Each bidder is required to read the entire Preliminary Official Statement to obtain information essential to making an informed investment decision. The City has prepared a Preliminary Official Statement dated March 28, 2017, which the City deems to be a preliminary or “near-final” Official Statement (the “Preliminary Official Statement”) as that term is defined in the Rule. The Preliminary Official Statement is available to prospective bidders who request copies from the City or its Municipal Advisor. Additional information regarding the Bonds may be obtained from the undersigned or from the Municipal Advisor, at the addresses set forth below.

Upon the sale of the Bonds, the City will adopt the final Official Statement and will furnish the successful bidder with an electronic copy of the final Official Statement within seven business days of the acceptance of the successful bidder’s proposal in order 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 City’s acceptance of the successful bidder’s proposal for the purchase of the Bonds shall constitute a contract between the City and the successful bidder for purposes of said Rules. Paper copies of the Official Statement may be ordered by the successful bidder at its expense.

Additional Information. Additional information regarding the Bonds may be obtained from the Municipal Advisor, Piper Jaffray & Co., 11635 Rosewood Street, Leawood, Kansas, 66211, Attention: Todd Goffoy, Office: (913) 345-3373, Mobile: (913) 201-3270, Email: a.t.goffoy@pjc.com.

DATED: March 28, 2017.

CITY OF RAYMORE, MISSOURI

By: /s/ Jim Feuerborn
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