

OFFICIAL NOTICE OF BOND SALE

BERNALILLO MUNICIPAL SCHOOL DISTRICT NO. 1  
COUNTY OF SANDOVAL, STATE OF NEW MEXICO  
GENERAL OBLIGATION SCHOOL BONDS  
SERIES 2019 - \$5,000,000\*

PUBLIC NOTICE IS HEREBY GIVEN that the Bernalillo Municipal School District No. 1 ("District"), Sandoval County, New Mexico, will, until the hour of 10:00 a.m., local time, on August 15, 2019, at the office of RBC Capital Markets, 6301 Uptown Blvd, NE, Suite 110, Albuquerque, New Mexico 87110, receive bids for the purchase of the District's General Obligation School Bonds, Series 2019 ("Bonds"), in the aggregate principal amount of \$5,000,000\*, subject to adjustment described below, and then publicly open the same. Bids may be submitted as a sealed bid or as an electronic bid using the facilities of PARITY. Submission of bids is further discussed below. Award of the Bonds will be pursuant to a resolution authorizing the Bonds adopted by the Board of Education of the District on July 25, 2019 and a pricing certificate executed by an authorized pricing officer of the District ("Pricing Officer") determining certain terms of the Bonds pursuant to provisions of the resolution (collectively, the "Bond Resolution").

**For purposes of the written sealed bids, and bids received through the electronic bidding process, the time as maintained by PARITY shall constitute the official time.**

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the District, as described under "BASIS OF AWARD" below. All bids shall be deemed to incorporate the provisions of this Official Notice of Bond Sale ("Notice") and the Official Bid Form.

Bids Delivered to the District:

Sealed bids, plainly marked "Bid for Bonds," should be addressed to "Bernalillo Municipal School District No. 1," and delivered to the Bernalillo Municipal School District No. 1, c/o RBC Capital Markets, LLC, 6301 Uptown Blvd., NE, Suite 110, Albuquerque, New Mexico 87110, prior to 10:00 a.m., local time, on August 15, 2019 (the "Bid Date"), the date of the bid opening. Such bids must be submitted on the Official Bid Form, without alteration or interlineation or through the electronic bidding process described below.

Electronic Bidding Procedures:

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to i-Deal's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. The District and RBC Capital Markets, LLC ("District's

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\*Subject to change, see "ADJUSTMENT OF THE BONDS" herein

Financial Advisor") shall not be responsible for any malfunction or mistake made by or as a result of the use of the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice conflict with information provided by PARITY, as the approved provider of electronic bidding services, this Notice shall control. Further information about PARITY, including any fee charged, may be obtained from BIDCOMP/PARITY, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, i-Deal Prospectus: (212) 849-5024 or (212) 849-5025; BidComp/Parity: (212) 849-5021.

#### Adjustment of Bid Parameters and Taking of Bids for the Bonds:

The Pricing Officer may, after consultation with the District's Financial Advisor, in the Pricing Officer's sole discretion and prior to the opening of bids, (i) adjust the aggregate principal amount set forth herein; (ii) adjust individual maturities; and/or (iii) modify or clarify any other term hereof by issuing a notification of the adjusted amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Bloomberg Financial Services no later than 8:30 a.m., prevailing Mountain Time, on the Bid Date. The Pricing Officer may also, after consultation with the District's Financial Advisor, in the Pricing Officer's sole discretion on notice given at least twenty-four (24) hours prior to the original bid deadline on the original Bid Date, reschedule the original Bid Date and bid deadline, and may, at that time or a subsequent time on at least twenty-four (24) hours prior notice, in each case via TM3 and/or Bloomberg Financial Services, establish a rescheduled bid due date and rescheduled bid deadline and a place where electronic bids will be publicly examined.

#### THE BONDS

The Bonds will be dated as of their date of initial delivery, expected to be September 19, 2019 and will be issued as fully registered bonds in the denomination of \$5,000 each or any integral multiple thereof. The Bonds will be issued in book-entry-only form through the facilities of The Depository Trust Company, New York, New York and beneficial owners will not receive physical delivery of Bond certificates. BOKF, N.A. Albuquerque, New Mexico, will be the initial paying agent/registrar for the Bonds. The Bonds will mature on August 1 in each of the years and in the principal amounts (preliminary) as follows:

<u>Years</u>	<u>Amount Maturing*</u>
2020	\$510,000
2021	375,000
2022	375,000
2023	375,000
2024	375,000
2025	375,000
2026	375,000
2027	375,000
2028	375,000
2029	375,000

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\*Subject to change, see "ADJUSTMENT OF THE BONDS" herein

2030	375,000
2031	375,000
2032	365,000

Both principal and interest on the Bonds will be payable in lawful money of the United States of America, and the principal of each Bond will be payable at the principal office of the paying agent/registrant for the Bonds. The interest on each Bond shall be payable by check or draft mailed to the respective registered owners thereof at the address as it appears on the registration books of said paying agent/registrant or any successor paying agent/registrant. Said issue constitutes a portion of the bonds which were authorized at a regular bond election held on February 7, 2019, and are for the purpose of erecting, remodeling, making additions to and furnishing school buildings, purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act, or any combination of these purposes, and will constitute general obligation bonds of the District, payable from general taxes that may be levied without limitation as to rate or amount.

#### ADJUSTMENT OF THE BONDS

After selecting the best bid pursuant to "BASIS OF AWARD" herein, the aggregate principal amount of the Bonds and the maturity schedule for such series may be adjusted as determined by the Pricing Officer and its Financial Advisor in \$5,000 increments to produce proceeds of the sale of the Bonds to the District (principal and net premium) of \$5,000,000 plus an amount for costs of issuance of the Bonds as determined by the Pricing Officer. Any such adjustment of the aggregate principal amount of the Bonds and/or the maturity schedule for the Bonds made by the Pricing Officer and the District's Financial Advisor, RBC Capital Markets, LLC, subsequent to deadline for the submission of bids shall be subsequent to the award of the Bonds to the winning bidder. Any such adjustment will be communicated to the winning bidder within three (3) hours of the deadline for the submission of bids and any adjustment will be done in a "spread neutral" manner.

In the event that the District exercises its right to make adjustments to the aggregate principal amount of the Bonds and/or the maturity schedule, the winning bidder must execute and promptly deliver to the District an acknowledgment of and agreement with such modifications, and the Bonds shall be payable in the principal amounts contained therein and shall bear interest at the respective interest rates submitted by the winning bidder in its bid.

#### QUALIFIED TAX-EXEMPT OBLIGATIONS

The Pricing Officer intends to designate the Bonds as "QUALIFIED TAX-EXEMPT OBLIGATIONS" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended ("Code"). Section 265 of the Code permits the designation of governmental bonds such as these Bonds as qualified tax-exempt obligations based upon certain representations made herein below (and certain representations by the initial purchaser of the Bonds):

- (a) The Bonds are not private activity bonds;
- (b) The District does not reasonably expect to issue qualified tax-exempt obligations in an aggregate principal amount exceeding \$10,000,000 during calendar year 2019; and

(c) The District has not and will not designate more than \$10,000,000 in aggregate principal amount of qualified tax-exempt obligations during calendar year 2019.

### REDEMPTION

The Bonds maturing on or after August 1, 2028, may be redeemed prior to their scheduled maturities on August 1, 2027 or on any date thereafter, in whole or in part, on any interest payment date, at the option of the District, with funds derived from any available and lawful source, and the District shall designate the amount that is to be redeemed, and if less than a whole maturity is to be redeemed, the District shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity, for redemption (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at the redemption price of par, plus accrued interest to the date fixed for prepayment or redemption.

### PAYMENT OF PURCHASE PRICE

The purchaser will be required to make payment of the balance of the purchase price of the Bonds (after credit for the bidder's good-faith deposit, without interest to the purchaser) in immediately available funds at a depository designated by the District.

### INTEREST RATE, BID LIMITATIONS, AND MAXIMUM PREMIUM LIMITATION

Interest on the Bonds will be payable on February 1, 2020, and semi-annually thereafter on August 1 and February 1 in each year until maturity or redemption prior to maturity.

It is permissible to bid different or split rates of interest; provided, however, that: (1) no bid shall specify more than one interest rate for each maturity; (2) each interest rate specified must be stated in a multiple of one-eighth ( $1/8^{\text{th}}$ ) or one-twentieth ( $1/20^{\text{th}}$ ) of one percent (1%) per annum; and (3) the maximum interest rate specified for any maturity shall not exceed 5% and the maximum interest rate may not exceed the minimum interest rate specified for any other maturity by more than three percent (3%).

The Bonds will not be sold for less than par plus accrued interest, if any, nor will a premium in excess of eight percent (8%) of par be accepted.

Bidders are required to submit a bid specifying the lowest rate or rates of interest and premium, if any, at which such bidder will purchase the Bonds. For informational purposes only, each bidder is requested to specify the True Interest Cost on the Bonds stated as a nominal annual percentage rate (see "BASIS OF AWARD" below). Only unconditional bids shall be considered. Bids should be submitted on the Official Bid Form, which may be obtained from the District's Financial Advisor (see "FURTHER INFORMATION" below).

### INSURANCE

The District may apply for municipal bond insurance for payment of principal of and interest on the Bonds. If the Bonds are approved for municipal bond insurance, the Bonds may be insured at the bidder's request and expense; and if the successful bidder desires that a legend be printed on the Bonds stating they are insured, the form of such legend and a written request that it be printed on the Bonds

must be received by the District's Financial Advisor, identified under "Further Information" below, within forty-eight (48) hours of the award of the Bonds to the successful bidder. At the delivery of the Bonds, the bidder is required to provide documentation to the District confirming that the premiums due the insurance company and any rating agency fees (other than the fee of Moody's Investors Service, which will be paid by the District) have been fully paid.

### BASIS OF AWARD

The Bonds will be awarded to the best bidder, considering the interest rate or rates specified and the premium offered, if any, and subject to the right of the Pricing Officer to reject any and all bids and re-advertise. The best bid will be determined and will be awarded on the basis of the True Interest Cost of the Bonds (i.e., using a True Interest Cost method) for each bid received, and an award will be made (if any is made) to the responsible bidder submitting the bid that results in the lowest actuarial yield on the Bonds. "True Interest Cost" of the Bonds, as used herein, means that yield, which if used to compute the present worth, as of the date of the Bonds, of all payments of principal and interest to be made on the Bonds, from their date to their respective maturity dates, as specified in the maturity schedule and without regard to the possible optional prior redemption of the Bonds, using the interest rates specified in the bid, produces an amount equal to the principal amount of the Bonds plus any premium bid. No adjustment shall be made in such calculation for accrued interest on the Bonds from their date to the date of delivery thereof. Such calculation shall be based on a 360-day year consisting of twelve 30-day months and a semiannual compounding interval. The Bonds will not be sold for less than par plus accrued interest, if any, nor will a premium in excess of eight percent (8%) of par be accepted. The District reserves the right to waive any irregularity or informality in any bid, except time of filing.

### GOOD FAITH DEPOSIT

All bids shall be sealed, except bids received by electronic transmission and except for any bid of the State of New Mexico, if one is received, and (i) shall include a good faith deposit of \$100,000 in the form of cash, cashier's or treasurer's check of, or by certified check drawn on, a solvent commercial bank or trust company in the United States of America and payable to the "Bernalillo Municipal School District No. 1" which must accompany any bid or be submitted prior to the submission of such bid or (ii) not later than 2:30 p.m., prevailing Mountain time, on August 15, 2019, and prior to the official award of the Bonds, the successful bidder must send an electronic wire transfer to such account as the District shall specify in immediately available funds a good faith deposit of \$100,000. (If such wire transfer is not received from the successful bidder by 2:30 p.m., prevailing Mountain time, on August 15, 2019, the next best bidder may be awarded the Bonds.) No interest on such good faith deposit will accrue to the successful bidder. The good faith deposit will be applied to the purchase price of the Bonds.

The good faith deposit shall be returned for all non-successful bids or if no bid is accepted. If the successful bidder shall fail or neglect to complete the purchase of the Bonds within forty-five (45) days following the acceptance of the bid or within ten (10) days after the Bonds are offered for delivery, whichever is later, the amount of the deposit shall be forfeited to the District as liquidated damages and, in that event, the Pricing Officer may accept the bid of the one making the next best bid. If all bids are rejected, the Pricing Officer may re-advertise the Bonds for sale in the same manner as herein. If there

be two or more equal bids and such bids are the best bids received, the Pricing Officer shall determine which bid shall be accepted.

#### TIME OF AWARD AND DELIVERY

The Pricing Officer will take action awarding the Bonds or rejecting all bids not later than the close of business on the day of the receipt of the bids. Delivery of the Bonds will be made to the successful bidder through the facilities of The Depository Trust Company, New York, New York, within forty-five (45) days of the acceptance of the bid. If for any reason delivery cannot be made within forty-five (45) days, the successful bidder shall have the right to purchase the Bonds during the succeeding ten (10) days upon the same terms, or at the request of the successful bidder, during said succeeding ten (10) days, the good-faith deposit will be returned, and such bidder shall be relieved of any further obligation. The successful bidder shall make final payment for the Bonds in immediately available funds to the District for immediate and unconditional credit to the account of the District. It is anticipated that the delivery of the Bonds will be on or about September 19, 2019.

#### FURTHER INFORMATION

Information concerning the Bonds, information regarding electronic bidding procedures, bid submission and other matters related to the Bonds, including printed copies of this Notice, the Official Bid Form, and the Preliminary Official Statement relating to the Bonds ("Preliminary Official Statement"), may be obtained from the District's Financial Advisor, RBC Capital Markets LLC, 6301 Uptown Blvd., NE, Suite 110, Albuquerque, New Mexico 87110. This Notice, the Official Bid Form and the Preliminary Official Statement are available for viewing in electronic format from MuniHub at <http://fmhub.com>. The District has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds, but will not prepare any other document or version for such purpose except as described below. In addition, any NASD registered broker-dealers or dealer banks with The Depository Trust Company clearing arrangements who bid on the Bonds are advised that they may either: (a) print out a copy of the Preliminary Official Statement on their own printer, or (b) at any time prior to the sale date, elect to receive a photocopy of the Preliminary Official Statement in the mail by requesting it from the District's Financial Advisor. All bidders must review the Preliminary Official Statement, and by submitting a bid for the Bonds, each bidder certifies that such bidder has done so prior to participating in the bidding.

The District will agree in the resolution authorizing the Bonds to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12 ("Rule"), as described in the Official Statement under "Continuing Disclosure of Information." The Purchaser's obligation to accept and pay for the Bonds is conditioned upon the delivery to the Purchaser or its agent of a certified copy of the resolution authorizing the Bonds containing the agreement described under such heading.

The Preliminary Official Statement is deemed final by the District for purposes of Rule 15c2-12(b)(1), except for the omission of the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, any other terms or provisions required by an issuer of such securities to be specified in the winning bid, ratings, other terms of the securities depending on such matters, and the identity of the purchaser. The District will furnish to the successful bidder or bidders, acting through a designated senior

representative, in accordance with instructions received from such successful bidder(s) in order to comply with the Rule, within seven (7) business days from the sale date electronic copies of the final Official Statement, reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of preparation of the Official Statement shall be borne by the District.

### LEGAL OPINIONS

The New Mexico Attorney General's written approval of the Bonds, as to form and legality, will be supplied. In addition, the legality of the Bonds will be approved by Cuddy & McCarthy, LLP, Attorneys at Law, Santa Fe, New Mexico, and McCall, Parkhurst & Horton L.L.P., Attorneys at Law, Austin, Texas ("District's Co-Bond Counsel"), whose opinions approving the legality of the Bonds will be furnished at no cost to the successful bidder. The opinions will state in substance that the issue of the Bonds in the amount aforesaid is valid and legally binding upon the District, that all of the taxable property in the District is subject to the levy of a tax to pay the same without limitation of rate or amount, and that interest on the Bonds is excludable from gross income for purposes of federal income tax.

### ESTABLISHING THE ISSUE PRICE FOR THE BONDS

The District intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of municipal bonds), which require, among other things, that the District receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds ("Competitive Sale Requirement").

In the event that the bidding process does not satisfy the Competitive Sale Requirement, the fact of which will be communicated by the District's Financial Advisor to the winning bidder by 2:30 p.m. the day of sale or, in the event such information is not communicated by the District's Financial Advisor, then promptly upon the request of the winning bidder, bids will not be subject to cancellation and the winning bidder (i) agrees to promptly report to the District the first prices at which at least 10% of each maturity of the Bonds (the "First Price Maturity") have been sold to the Public on the Sale Date (the "10% Test") and (ii) agrees to hold-the-offering-price of each maturity of the Bonds that does not satisfy the 10% Test ("Hold-the-Price Maturity"), as described below.

In order to provide the District with information that enables it to comply with the establishment of the issue price of the Bonds under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the District or to the District's Financial Advisor a certification as to the Bonds' "issue price" ("Issue Price Certificate") substantially in the form and to the effect accompanying this Notice, within five business days prior to the Closing Date if the Competitive Sale Requirement is satisfied or within five business days of the date on which the 10% Test is satisfied with respect to all of the maturities. In the event the winning bidder will not reoffer any maturity of the Bonds for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the District. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable

certainty. Any questions concerning such certification should be directed to McCall, Parkhurst & Horton, L.L.P., Co-Bond Counsel (as identified in the Preliminary Official Statement).

For purposes of this section of this Notice of Sale:

(i) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to the Underwriter,

(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) "Related Party" means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that are subject, directly or indirectly, to (a) 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), (b) 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 (c) 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 Pricing Officer pursuant to the Bond Resolution to the winning bidder.

All actions to be taken by the District under this Notice to establish the issue price of the Bonds may be taken on behalf of the District by the District's Financial Advisor, and any notice or report to be provided to the District may be provided to the District's Financial Advisor.

The District will consider any bid submitted pursuant to this Notice to be a firm offer for the purchase of the Bonds, as specified in the bid and, if so stated, in the Official Bid Form.

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 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, 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 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, if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wire.

By submitting a bid, the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell any Hold-the-Price Maturity 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 (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 Hold-the-Price Maturity 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 a Hold-the-Price Maturity 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.

#### CERTIFICATION OF OFFICIAL STATEMENT

At the time of payment for and delivery of the Bonds, the successful bidder will be furnished a certificate, executed by proper officers of the District, acting in their official capacity, to the effect that to the best of their knowledge and belief: (a) the descriptions and statements of or pertaining to the District contained in the final Official Statement, and any addenda, supplement or amendment thereto, on the date of the final Official Statement, on the date of sale of the Bonds and the acceptance of the bids therefor, and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the District and its affairs, including its financial affairs, are concerned, the final Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the District, and their activities contained in such final Official Statement are concerned, such statements and data have been obtained from sources which the District believes to be reliable and the District has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the District since the date of the last audited financial statements of the District.

#### BOOK- ENTRY-ONLY OBLIGATIONS

The Bonds will be issued in book-entry-only form through the facilities of the Depository Trust Company (see the Preliminary Official Statement).

#### CUSIP NUMBERS

The District's Financial Advisor shall make timely application in writing to the CUSIP Service Bureau for and shall obtain CUSIP numbers. CUSIP identification numbers may be typed or printed on the Bonds, but neither the failure to provide such number on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms hereof. All expenses in relation to the CUSIP Service charge for

the assignment of said numbers will be the responsibility of and will be paid for by the District's Financial Advisor.

### BLUE SKY LAWS

The District has not investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking, or other laws.

By submitting a bid, the initial purchaser represents that the sale of the Bonds in states other than New Mexico will be made only under exemptions from registration, or, wherever necessary, the initial purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the initial purchaser, at the initial purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary but will not consent to service of process in any such jurisdiction.



OFFICIAL BID FORM

August 15, 2019

Bernalillo Municipal School District No. 1 (the "District")  
 c/o RBC Capital Markets LLC  
 6301 Uptown Blvd. NE, Suite 110  
 Albuquerque, New Mexico 87110  
 Attention: Pricing Officer

Pricing Officer:

Pursuant to the "Official Notice of Bond Sale" dated August 8, 2019 ("Notice"), relating to the Bernalillo Municipal School District No. 1 ("District") General Obligation School Bonds, Series 2019 ("Bonds") in the principal amount of \$5,000,000\*, which by reference is made a part hereof, we submit the following bid:

For your legally issued Bonds as described in the Notice, we will pay you par, plus accrued interest, if any, from the date of the Bonds to the date of delivery to us, plus a cash premium of \$ \_\_\_\_\_, provided the Bonds bear interest per annum as follows (the bonds mature on \_\_\_\_\_ of each year):

<u>Maturing</u> (August 1)	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
2020	\$510,000	_____%	_____%
2021	375,000	_____%	_____%
2022	375,000	_____%	_____%
2023	375,000	_____%	_____%
2024	375,000	_____%	_____%
2025	375,000	_____%	_____%
2026	375,000	_____%	_____%
2027	375,000	_____%	_____%
2028	375,000	_____%	_____%
2029	375,000	_____%	_____%
2030	375,000	_____%	_____%
2031	375,000	_____%	_____%
2023	365,000	_____%	_____%

\*Subject to change, see the Notice – Adjustment of the Bonds.

In the event that the District exercises its right to make subsequent adjustments to principal amounts of the Bonds after the opening of bids as provided in the Notice, the undersigned bidder agrees to execute and promptly deliver to the District an acknowledgment of, and agreement with, such adjustments, and the Bonds shall be payable in the principal amounts as so adjusted and shall bear interest at the respective interest rates submitted by the undersigned bidder.

Enclosed herewith is \*a financial security bond\*, \*cash\*, \*a cashier's or treasurer's check of\*, \*a certified check drawn on\*, a solvent commercial bank or trust company in the United States of America, made payable to the order of the Bernalillo Municipal School District No. 1, in the amount of \$100,000, which deposit represents our good-faith deposit and is submitted in accordance with the terms set forth in the Notice. We will pay the CUSIP Service Bureau charge, if any, for the assignment of CUSIP numbers.

The undersigned agrees to complete, execute, and deliver to the District within two (2) business days from the date hereof the Issue Price Certificate relating to the Bonds in the form in, and pursuant to, the Notice.

We understand and agree that an electronic copy of the final Official Statement, including any amendments or supplements thereto will be supplied to us at the District's. By accepting this bid, you agree to provide such copies of the final Official Statement and of any amendments or supplements thereto in accordance with the Notice, and you undertake your other obligations described therein, as contemplated by Rule 15c2-12 of the U.S. Securities and Exchange Commission.

Respectfully submitted,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Representative

\* (Strike inapplicable words)

For informational purposes only, our calculation of the True Interest Cost is as follows:

**True Interest Cost: (stated as a nominal annual percentage) \_\_\_\_\_%**

Additionally, for informational purposes only, the following is requested:

Gross Interest Cost: \$ \_\_\_\_\_

Bond Insurance (if any) at Cost  
of Bidder: \_\_\_\_\_

Less Premium Bid: \$ \_\_\_\_\_

Name of Company: \_\_\_\_\_

Net Interest Cost: \$ \_\_\_\_\_

Insurance Premium: \$ \_\_\_\_\_  
Additional Rating (if any) at Cost  
of Bidder: \_\_\_\_\_  
Name of Rating Agency:  
\_\_\_\_\_

ACCEPTANCE CLAUSE

The above bid is hereby in all things accepted by the Bernalillo Municipal School District No. 1, Sandoval County, New Mexico, this 15th day of August, 2019.

\_\_\_\_\_  
Pricing Officer  
Bernalillo Municipal School District No. 1

RETURN OF GOOD-FAITH DEPOSIT

Return of good-faith deposit to us as an unsuccessful bidder on this \_\_\_\_\_ day of August, 2019, is hereby acknowledged.

\_\_\_\_\_  
Bidder

By: \_\_\_\_\_

Pricing Officer, Bernalillo Municipal School District No. 1

ISSUE PRICE CERTIFICATE

(Form where three or more bids for the Bonds were received by the District)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Purchaser”), with respect to the purchase at competitive sale of the Bernalillo Municipal School District No. 1 General Obligation School Bonds, Series 2019 issued by the Bernalillo Municipal School District No. 1 (“Issuer”) in the principal amount of \$5,000,000 (“Bonds”), hereby certifies and represents, based on its records and information, as follows:

(a) On the first day on which there was a binding contract in writing for the purchase of the Bonds by the Purchaser, the Purchaser’s reasonably expected initial offering prices of each maturity of the Bonds with the same credit and payment terms (the “Expected Offering Prices”) to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter are as set forth in the pricing wire or equivalent communication for the Bonds, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds.

(b) The Purchaser had an equal opportunity to bid to purchase the Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

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

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (a) a 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, or (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(a) of this paragraph (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) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. 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 Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this \_\_\_\_\_.

\_\_\_\_\_, as Purchaser

By: \_\_\_\_\_

Name: \_\_\_\_\_

SCHEDULE A

PRICING WIRE OR EQUIVALENT COMMUNICATION



ISSUE PRICE CERTIFICATE

(Form where three or more bids for the Bonds were **not** received by the District)

The undersigned, as the underwriter or the manager of the syndicate of underwriters ("Purchaser"), with respect to the purchase at competitive sale of the Bernalillo Municipal School District No. 1 General Obligation School Bonds, Series 2019 issued by the Bernalillo Municipal School District No. 1 ("Issuer") in the principal amount of \$5,000,000 ("Bonds"), hereby certifies and represents, based on its records and information, as follows:

(a) Other than the Bonds maturing in \_\_\_\_ ("Hold-the-Price Maturities"), if any, the first prices at which at least ten percent ("Substantial Amount") of the principal amount of each maturity of the Bonds having the same credit and payment terms ("Maturity") was sold on the date of sale of the Bonds ("Sale Date") to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter ("Public") are their respective initial offering prices ("Initial Offering Prices"), as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.

(b) On or before the Sale Date, the Purchaser offered to the Public each Maturity of the Hold-the-Price Maturities at their respective Initial Offering Prices, as set forth in Schedule A hereto.

(c) As set forth in the Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Hold-the-Price Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells a Substantial Amount of a Hold-the-Price Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Hold-the-Price Maturity.

For purposes of this Issue Price Certificate, the term "Underwriter" means (1) (a) a 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, or (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(a) of this paragraph (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) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. 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 Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this \_\_\_\_\_.

\_\_\_\_\_, as Purchaser

By: \_\_\_\_\_

Name: \_\_\_\_\_

SCHEDULE A  
PRICING WIRE OR EQUIVALENT COMMUNICATION