

OFFICIAL NOTICE OF SALE

\$16,785,000*

MILLBRAE PUBLIC FINANCING AUTHORITY 2018 WASTEWATER REVENUE BONDS

NOTICE IS HEREBY GIVEN by the Governing Board of the Millbrae Public Financing Authority (the "Authority"), that bids will be received by a representative of the Authority for the purchase of \$16,785,000* principal amount of bonds of the Authority designated the "Millbrae Public Financing Authority 2018 Wastewater Revenue (the "Bonds"). Bids will be received in electronic form via BiDCOMP™/Parity® ("Parity") on

TUESDAY, MARCH 13, 2018

or, at the option of the Authority, on successive days thereafter until acceptance of a bid, in either case at 9:00 a.m. Pacific Time. The Authority reserves the right to postpone or change the sale date upon 24 hours notice as described below, and the Authority reserves the right to amend this Official Notice of Sale at any time prior to the time and date established for the sale of the Bonds. The Bonds will be issued under the provisions of an Indenture of Trust dated as of March 1, 2018 (the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and under the laws of the State of California. The Bonds are more particularly described in the proposed form of the Indenture on file with the Authority (which is incorporated herein by reference) and copies thereof will be furnished to the bidder upon request.

DESCRIPTION OF THE BONDS

PURPOSE: The proceeds of the Bonds will be applied by the Authority for the purpose of financing the acquisition, and construction of improvements to the wastewater collection system of the City of Millbrae (the "City"), which will be sold by the Authority to the City under an Installment Sale Agreement dated as of March 1, 2018 (the "Installment Sale Agreement"), between the Authority and the City.

SECURITY: The Bonds are limited obligations of the Authority which are secured by a pledge of and lien on the revenues received by the Authority, consisting primarily of the installment payments (the "Installment Payments") which the City is obligated to pay under the Installment Sale Agreement as the purchase price of the improvements which are financed thereunder to the wastewater collection, treatment and disposal system of the City (the "Wastewater System"). The Installment Payments are payable from and secured by a pledge of and lien on the net revenues received by the City from the ownership and operation of the Wastewater System. Bidders are referred to the Preliminary Official Statement for a further description of the security for the Bonds and the Installment Payments.

ISSUE; BOOK-ENTRY FORM: The Bonds will be issued in the aggregate principal amount of \$16,785,000 in the form of fully registered Bonds without coupons. The Bonds will be dated as of as of their original delivery (the "Delivery Date"), and will be issued in

*Preliminary, subject to change.

minimum denominations of \$5,000. The Bonds will be issued in a book entry only system with no physical distribution of the Bonds made to the public. The Depository Trust Company, New York, New York (“DTC”), will act as depository for the Bonds which will be immobilized in its custody. The Bonds will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Bonds.

MATURITIES: The Bonds will mature, or be subject to mandatory sinking fund redemption, on December 1 in each of the years, and in the amounts, as set forth in the following table. The final principal amount of the Bonds, and the final amount of each maturity of the Bonds, is subject to increase or reduction as described below under the heading “Adjustment of Principal Amounts”. *Each bidder must specify in its bid whether, for any particular year, the Bonds will mature or, alternately, be subject to mandatory sinking fund redemption in such year.*

<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>
2018	\$ 175,000	2033	\$ 530,000
2019	265,000	2034	555,000
2020	280,000	2035	580,000
2021	295,000	2036	610,000
2022	310,000	2037	640,000
2023	325,000	2038	675,000
2024	340,000	2039	705,000
2025	355,000	2040	740,000
2026	375,000	2041	780,000
2027	395,000	2042	820,000
2028	415,000	2043	860,000
2029	435,000	2044	900,000
2030	455,000	2045	945,000
2031	480,000	2046	995,000
2032	505,000	2047	1,045,000

PAYMENT PROVISIONS: Interest on the Bonds will be payable on June 1 and December 1 in each year commencing June 1, 2018 (the “Interest Payment Dates”), to the registered owners by check or draft of the Trustee. In the case of any owner of Bonds in an aggregate principal amount of at least \$1,000,000, at the written request of such owner interest on such Bonds will be paid by wire transfer. The principal of any Bond will be paid upon presentation and surrender thereof at the designated office of the Trustee in San Francisco, California. The principal of and interest on the Bonds are payable in lawful money of the United States of America.

OPTIONAL REDEMPTION: The Bonds maturing on or before December 1, 2028, are not subject to optional redemption prior to their respective stated maturity dates. The Bonds maturing on or after December 1, 2029, are subject to redemption in whole, or in part at the written request of the Authority among maturities on such basis as the Authority may designate and by lot within a maturity, at the option of the Authority, on any date on or after December 1, 2028, from any available source of funds, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption, without premium.

SINKING FUND REDEMPTION: Any bidder may, at its option, specify that one or more maturities of the Bonds will consist of term Bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof, as designated in the bid of such bidder. If the bid of the successful bidder specifies that any maturity of Bonds will be term Bonds, such term Bonds will be subject to mandatory sinking fund redemption on December 1 in each year so designated in the bid, in the respective amounts for such years as set forth above under the heading "MATURITIES", at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without premium.

TAX-EXEMPT STATUS: In the opinion of Jones Hall, A Professional Law Corporation, bond counsel to the Authority, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal individual and corporate alternative minimum taxes, although it is included in certain income and earnings in computing the alternative minimum tax imposed on certain corporations. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. Bidders are referred to the Preliminary Official Statement for a description of the proposed opinion of Bond Counsel. If prior to the delivery of the Bonds either (a) the interest on other obligations of the same type and character shall be declared to be taxable (either at the time of such declaration or at any future date) under any federal income tax laws, either by the terms of such laws or by ruling of a federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any federal court, or (b) any federal income tax law is adopted which will have a substantial adverse effect upon owners of the Bonds as such, the successful bidder for the Bonds may, at its option, prior to the tender of the Bonds, be relieved of its obligation under the contract to purchase the Bonds.

LEGAL OPINION: The legal opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, approving the validity of the Bonds, will be furnished to the purchaser of the Bonds without cost. A copy of the legal opinion will be appended to each Bond.

FURTHER INFORMATION: A copy of the Preliminary Official Statement describing the Bonds, and any other information concerning the proposed financing, will be furnished upon request to the municipal advisor to the Authority (the "Municipal Advisor"), as follows: PFM Municipal Advisors LLC, 50 California Street, Suite 2300, San Francisco, California, tel: 415-982-5544.

MUNICIPAL BOND INSURANCE; BIDDER'S OPTION: The Authority has applied to certain bond insurance companies for a commitment to issue a policy insuring the payment when due of principal of and interest on the Bonds. Information concerning the availability of municipal bond insurance may be also obtained by contacting the Municipal Advisor as described above. In the event the Authority obtains a commitment for municipal bond insurance, each bidder has the option to elect whether such insurance will be issued. If the winning bidder elects to obtain any policy of municipal bond insurance, the premium for such insurance and the costs of any related ratings will be paid by the bidder, and the Authority will have no responsibility for payment of such premium and costs.

TERMS OF SALE

RIGHT TO CANCEL, POSTPONE OR RESCHEDULE SALE: The Authority reserves the right to cancel, postpone or reschedule the sale of the Bonds upon notice published through the TM3 system, not less than 24 hours before the time for receipt of bids. If the sale is postponed, bids will be received at the above place at such date and hour as set forth in the notice. Failure of any bidder to receive such notice or any other form of notice of canceled, postponed or rescheduled sale will not affect the legality or validity of any sale.

SUBMISSION OF BIDS: Bids will be received electronically as described below, provided that such electronic bid must be received no later than the date and time set for receipt of bids. Each bid must be for all of the Bonds which are offered for sale, and no bid will be considered for the purchase of less than all of the Bonds. *All bids must be accompanied by a good faith deposit as more fully described below under the caption "GOOD FAITH DEPOSIT".*

ELECTRONIC BIDS: The Authority will accept bids in electronic form through the Parity electronic bidding system. Each bidder submitting an electronic bid agrees by doing so that it is solely responsible for all arrangements with Parity and that Parity is not acting as an agent of the Authority. Instructions and forms for submitting electronic bids must be obtained from Parity, and the Authority assumes no responsibility for ensuring or verifying bidder compliance with Parity's procedures. The Authority will be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder.

Neither the Authority, the City, the Municipal Advisor nor Bond Counsel has any responsibility for proper functioning of the Parity system, 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. The official time for receipt of bids will be determined by the Authority at the place of bid opening, and the Authority will not be required to accept the time kept by Parity as the official time. The Authority assumes no responsibility for informing any bidder prior to the deadline for receiving bids that its bid is incomplete, or not received.

DESIGNATION OF INTEREST RATES: Each bidder must specify the rate or rates of interest which the Bonds will bear. The maximum rate bid on any Bonds may not exceed 8.00% per annum. A bidder will be permitted to bid different rates of interest for each maturity of Bonds, but:

- each interest rate specified must be in a multiple of 1/20% or 1/8%;
- no Bond may bear more than one rate of interest;
- interest on each Bond will be computed from the Delivery Date to its stated maturity at the interest rate specified in the proposal, payable on the Interest Payment Dates as set forth above; and
- all Bonds maturing at any one time will bear the same rate of interest.

DETERMINATION OF BEST BID: The Bonds will be awarded to the responsible bidder whose bid produces the lowest true interest rate on the Bonds. The true interest rate specified in any bid will be that rate which, when used in computing the present worth of all payments of principal and interest to be paid on all Bonds from the Delivery Date (which is assumed to be March 29, 2018) to their respective maturity dates or mandatory sinking fund redemption dates, produces an amount equal to the purchase price specified in such bid. For purposes of computing the true interest rate represented by any proposal, the purchase price specified in such proposal shall be equal to the par amount of the Bonds plus any premium and less any discount specified in such proposal, and the true interest rate shall be calculated by the use of a semiannual interval of compounding interest based on the Interest Payment Dates for the Bonds.

ADJUSTMENT OF PRINCIPAL MATURITIES: The Authority reserves the right to increase or decrease the principal amount of any maturity of the Bonds (or, in the case of the term Bonds, the principal amount thereof which is subject to mandatory sinking fund redemption on December 1 in any year) in order to ensure that the net proceeds of the Bonds which are available to the Authority is equal to \$19,000,000. The Authority will give notice of any such adjustment to the successful bidder as soon as practicable following the notification of award. No such adjustment will alter the basis upon which the best bid is determined.

RIGHT OF REJECTION: The Authority reserves the right, in its discretion, to reject any and all bids and to the extent not prohibited by law to waive any irregularity or informality in any bid.

ESTABLISHMENT OF ISSUE PRICE FOR THE BONDS: In the event the Authority receives at least three bona fide bids for the Bonds, then the Issue Price for the Bonds will be established based on the reasonably expected initial offering prices of the Bonds as of the Sale Date (the "Expected Offering Prices"). The Expected Offering Prices shall consist of the prices for each maturity of the Bonds used by the winning bidder in formulating its bid to purchase the Bonds. The winning bidder will be required to deliver on the Delivery Date a certificate to such effect, and provide to the Authority, in writing, the Expected Offering Prices as of the date on which the Bonds are sold. Such certificate and supporting documentation shall be in substantially in the form attached hereto as Exhibit 1, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Authority and Bond Counsel.

In the event the Authority receives fewer than three bona fide bids for the Bonds, the Authority intends to treat the initial offering price of each maturity of the Bonds set forth in the bid submitted by the winning bidder (the "initial offering price") as the issue price of that maturity (the "hold-the-offering-price rule"). Consequently, each bidder should assume for purposes of making its bid that for each maturity of the Bonds, the Authority will treat the initial offering prices as of the date that the Bonds are awarded by the Authority to the successful bidder ("sale date") as the issue price of the Bonds. The Authority will advise the apparent winning bidder within one hour of receipt of bids if the hold-the-offering-price rule will apply. In the event that the competitive sale requirements are not satisfied and issue price is established pursuant to the hold-the-offering-price rule, the issue price certificate shall be modified as necessary in the reasonable judgment of Bond Counsel and the Authority.

By submitting a bid, the successful bidder shall, on behalf of the underwriters participating in the purchase of the Bonds, (i) confirm that the underwriters have offered or will offer each maturity of the Bonds to the public on or before the sale date at the initial offering price set forth in the bid submitted by the winning bidder, and (ii) agree that the underwriters will neither offer nor sell any maturity of the Bonds to any person at a price that is higher than the initial offering price for such maturity during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the 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 for such maturity.

The winning bidder shall promptly advise the Authority 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 if that occurs prior to the close of the 5th business day after the sale date.

The Authority acknowledges that, in making the representation set forth above, the successful 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 Authority 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.

By submitting a bid, each bidder confirms that:

- (1) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the 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 Bonds of each maturity allotted to it until it is notified by the successful 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 and for so long as directed by the successful bidder and in the related pricing wires; and
- (2) any agreement among underwriters relating to the 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 successful 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 and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

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 Official Notice of Sale.

As used herein, the term "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (as defined herein) or a related party to an Underwriter. The term "related party" generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly. As used herein, the term "Underwriter" means (i) any person that agrees pursuant to a written contract with the Authority (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 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).

PROMPT AWARD: A representative of the Authority has been authorized to accept the best responsible bid for the purchase of the Bonds and to accept such bid, for and in the name of the Authority, by notice to the successful bidder. If two or more bids setting forth identical interest rates and premium/discount, if any, are received, such officer may exercise discretion and judgment in making the award and may award the Bonds on a pro rata basis in such denominations as he or she determines. Such authorized representative of the Authority may also reject any and all bids and waive any irregularity or informality in any bid. Sale of the Bonds will be awarded or all bids will be rejected not later than 24 hours after the expiration of the time prescribed for the receipt of proposals unless such time of award is waived by the successful bidder; provided, that the award may be made after the expiration of the specified time if the bidder does not notify the Authority in writing of the withdrawal of its proposal.

PLACE OF DELIVERY; CANCELLATION FOR LATE DELIVERY: It is expected that the Bonds will be delivered to DTC for the account of the successful bidder within 21 days from the date of sale thereof. The successful bidder has the right, at the successful bidder's option, to cancel the contract of purchase if the Bonds are not tendered for delivery within 60 days from the date of the sale thereof.

GOOD FAITH DEPOSIT. A good faith deposit in the amount of \$170,000 for the Bonds (the "Good Faith Deposit") must be provided by the winning bidder. The Good Faith Deposit must be submitted by wire transfer (as described below). The Bonds will not be officially awarded to a bidder who has not submitted a Good Faith Deposit. Upon the determination by the Authority of the apparent winning bidder, the Municipal Advisor will request the apparent winning bidder to (i) immediately wire the Good Faith Deposit to the Trustee, as described below, and (ii) provide, within 90 minutes of such request, the Federal wire reference number of such Good Faith Deposit to the Municipal Advisor by email (sarabiam@pfm.com). The wire transfer is to be made to The Bank of New York Mellon Trust Company, N.A., using the following wire instructions:

Bank	THE BANK OF NEW YORK MELLON
ABA No.:	021000018
A/C No.:	2238578400
A/C Name:	MILLBRAE PFA 2018 WASTEWTR PROCEEDS
Attention:	JUSTIN BUI (415) 263-2416

If the apparent winning bidder does not wire the Good Faith Deposit as required, or does not provide the Federal wire reference number confirming the wire-transfer of such deposit to the Municipal Advisor within the time specified above, the Authority may reject the bid of the apparent winning bidder and may award the Bonds to a responsible bidder that submitted a confirming bid that represents the next lowest true interest cost to the Authority.

No interest will be paid upon a Good Faith Deposit made by an apparent winning bidder. Upon receipt of the Good Faith Deposit by the Authority, the Good Faith Deposit will immediately become the property of the Authority. The Good Faith Deposit will be held and invested for the exclusive benefit of the Authority. The Good Faith Deposit, without interest thereon, will be credited against the purchase price of the Bonds at the time of delivery thereof.

If the purchase price is not paid in full upon tender of the Bonds, the Authority shall retain the Good Faith Deposit and the purchaser will have no right in or to the Bonds or to the recovery of its Good Faith Deposit, or to any allowance or credit by reason of such deposit, except pursuant to a right of cancellation. See "Place of Delivery; Cancellation for Late Delivery." In the event of nonpayment of the purchase price for the Bonds by the purchaser, the Authority reserves any and all rights granted by law to recover the full purchase price of the Bonds and, in addition, any damages suffered by the Authority.

PAYMENT OF PURCHASE PRICE: The successful bidder will be required to pay the purchase price of the Bonds, being the par amount of the Bonds, reduced by the good faith deposit made under the preceding paragraph, less purchaser's discount and plus premium (if any), in funds which are immediately available to the Director of Finance. Such payment shall be made on the Delivery Date of the Bonds by the Authority to DTC.

STATEMENT OF TRUE INTEREST RATE: Each bidder is requested, but not required, to state in its proposal the percentage true interest rate represented by its proposal, determined as described above, which will be considered as informative only and not binding on either the bidder or the Authority.

NO LITIGATION: There is no litigation pending concerning the validity of the Bonds or the Installment Sale Agreement, the corporate existence of the Authority or the City, or the entitlement of the Authority officers or the City officers to their respective offices, and the purchaser will be furnished a no-litigation certificate certifying to the foregoing as of and at the time of delivery of the Bonds.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto will constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the Authority, except that the CUSIP Service Bureau charge for the assignment of said numbers will be the responsibility of and shall be paid for by the purchaser.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION FEES: All fees payable to the California Debt and Investment Advisory Commission in connection with the issuance of the Bonds are the sole responsibility of the purchaser of the Bonds.

OFFICIAL STATEMENT: The Authority and the City have approved a Preliminary Official Statement relating to the Bonds. Copies of such Preliminary Official Statement will be distributed to any bidder, upon request, prior to the sale in a form "deemed final" by the Authority and the City for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Within seven business days from the sale date, the Authority and the City will deliver to the purchaser copies of the final Official Statement, executed by an authorized representative of the Authority and an authorized representative of the City and dated the date of delivery thereof to the purchaser, in sufficient number to allow the purchaser to comply with paragraph (b)(4) of the Rule and to satisfy the Municipal Securities Rulemaking Board (the "MSRB") Rule G-32 or any other rules adopted by the MSRB, which shall include information permitted to be omitted by paragraph (b)(1) of the Rule and such other amendments or supplements as are approved by the Authority and the City (the "Final Official Statement"). The purchaser agrees that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Final Official Statement. The Authority will furnish to the successful bidder, at no charge, not more than 25 copies of the Official Statement for use in connection with any resale of the Bonds.

CERTIFICATE REGARDING OFFICIAL STATEMENT: A responsible officer of the Authority and the City will certify to the original purchaser of the Certificates, as a condition of closing, that based on such officer's participation in the preparation of the Official Statement, nothing has come to his or her attention to lead him or her to believe that the Official Statement (except for certain financial statements, statistical data and other information) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

CONTINUING DISCLOSURE. In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the Authority and the City have committed to undertake, under the Indenture, the Installment Sale Agreement and a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the preliminary Official Statement and will also be set forth in the final Official Statement. Such Continuing Disclosure Certificate will be a document required to be delivered at closing by the Authority and the City, and the failure by the Authority and the City to deliver such document in form and substance acceptable to Bond Counsel and the successful bidder will relieve the successful bidder of its obligation to purchase the Bonds.

GIVEN by order of the Governing Board of the Millbrae Public Financing Authority by resolution adopted February 27, 2018.

EXHIBIT 1
Issue Price Certificate

MILLBRAE PUBLIC FINANCING AUTHORITY
2018 WASTEWATER REVENUE BONDS

The undersigned, on behalf of [NAME OF UNDERWRITER] (“Underwriter”), 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 Underwriter 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 the Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Underwriter to purchase the Bonds.

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

(c) The bid submitted by Underwriter 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 March 13, 2018.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Authority (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 Underwriter'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 Authority with respect to certain of the representations set forth in the Certificate of Arbitrage and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, A Professional Law Corporation 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 Authority from time to time relating to the Bonds.

[UNDERWRITER]

By:
Name:

Dated: [Issue Date]

SCHEDULE A

EXPECTED OFFERING PRICES

Maturity Date <u>(August 1)</u>	Principal <u>Amount</u>	Interest <u>Rate</u>	Reoffering <u>Price</u> *
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* Stated as a percentage of par.

SCHEDULE B
COPY OF UNDERWRITER'S BID
(attached)