

## OFFICIAL NOTICE OF SALE

**\$33,000,000\***  
**SEQUOIA UNION HIGH SCHOOL DISTRICT**  
**(County of San Mateo, State of California)**  
**GENERAL OBLIGATION BONDS, ELECTION OF 2014, SERIES 2019**

NOTICE IS HEREBY GIVEN that electronically submitted bids via i-Deal/Parity will be received by the Sequoia Union High School District (the "District") located in the County of San Mateo (the "County"), State of California, for the purchase of \$33,000,000\* aggregate principal amount of bonds of the District, designated "Sequoia Union High School District General Obligation Bonds, Election of 2014, Series 2019" (herein called the "Series 2019 Bonds") more particularly described herein, on

**Wednesday, May 8, 2019**  
**at 9:30 A.M., California time**

at the offices of the District's Municipal Advisor, Keygent LLC, 999 N. Pacific Coast Highway, Suite 570, El Segundo, California 90245, Attention: Andrew Tuan (telephone: (310) 322-4222).

The District reserves the right to cancel or reschedule the sale of the Series 2019 Bonds upon notice given through the Thomson Municipal Market Monitor ([www.TM3.com](http://www.TM3.com)) (the "News Service") not later than 1:00 p.m. (California time) on the day prior to the time bids are to be received. If no legal bid or bids are received for the Series 2019 Bonds on said date (or such later date as is established as provided herein) at the time specified, bids will be received for the Series 2019 Bonds on such other date and at such other time as shall be designated through the News Service as soon as practicable. As an accommodation to bidders, telephone or email notice of the postponement of the sale date or dates or of a change in the principal payment schedule will be given to any bidder requesting such notice from the District's Municipal Advisor, at the address and attention given above. Failure of any bidder to receive such supplementary notice shall not affect the legality of the sale.

The District further reserves the right to amend this Official Notice of Sale (the "Official Notice") and the terms of sale in any respect, upon notice thereof given through the News Service not later than the time bids are then scheduled to be received.

### TERMS OF THE SERIES 2019 BONDS

***Important Note:*** This notice will be submitted to i-Deal LLC for posting at i-Deal's website and in the Parity bid delivery system. In the event i-Deal's summary of the terms of sale of the Series 2019 Bonds disagrees with this Official Notice in any particulars, the terms of this Official Notice shall control (unless notice of an amendment hereto is given as described above).

***Additional Important Notes:*** The underwriter's discount shall not exceed 2.0% of the aggregate principal amount of the Series 2019 Bonds. The winning bidder will be required to pay certain costs of issuance of the Series 2019 Bonds. See "Payment of Issuance Costs," herein.

Issue: The terms of issuance, principal and interest repayment, optional redemption, mandatory redemption, security, tax opinion, and all other information regarding the Series 2019 Bonds

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\* Preliminary, subject to change.

and the District are given in the Preliminary Official Statement which each bidder must have obtained and read prior to bidding for the Series 2019 Bonds. This notice governs only the terms of sale, bidding and closing procedures.

Principal Payments:

Maturity Date (July 1)	Principal Amount
2019	\$7,350,000
2020	5,730,000
2021	1,015,000
2022	1,115,000
2023	1,255,000
2024	1,400,000
2025	1,555,000
2026	1,710,000
2027	1,165,000
2028	1,235,000
2029	1,325,000
2030	1,420,000
2031	1,515,000
2032	1,625,000
2033	1,735,000
2034	1,850,000

Serial Bonds and/or Term Bonds: The Series 2019 Bonds shall be issued as serial maturities as shown in the table above, unless the bidder requests the creation of one or more term Series 2019 Bonds by combining any two or more consecutive serial maturities. For any term Series 2019 Bond, the amount of principal paid in each year as the mandatory sinking fund payment shall be the amount shown above as maturing in such year.

Term Bonds, if specified, will be subject to redemption, by lot, on July 1 of each year specified prior to their respective stated maturity dates from monies in the interest and sinking fund of the District, upon payment of the principal amount due in such year, without premium, plus accrued interest thereon to the date fixed for redemption.

Adjustment of Principal Amounts: The principal amounts of each maturity of Series 2019 Bonds set forth above reflect certain estimates of the District and its Municipal Advisor with respect to the likely interest rates of the winning bid and the premium contained in the winning bid. Following the determination of the successful bidder, the District reserves the right to increase or decrease the principal amount of each maturity of the Bonds in \$5,000 increments in order to optimize the sizing and debt service structure for the Bonds. Such adjustment shall be made at the sole discretion of the District in consultation with its Municipal Advisor within 26 hours of the bid opening. The aggregate price bid by the successful bidder will be adjusted by the Superintendent of the District or the Assistant Superintendent of Administrative Services of the District or any other official or employee of the District authorized by the Superintendent or the Assistant Superintendent of Administrative Services (each, an “Authorized District Representative”) without consideration for the reoffering price by the successful bidder to the public of any individual maturity of the Series 2019 Bonds. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATE BIDS OR ANY INITIAL**

REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE STATED PRINCIPAL AMOUNTS.

Interest: Interest is payable on January 1 and July 1 of each year, commencing July 1, 2019. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months from the date of the Series 2019 Bonds. Each Series 2019 Bond shall bear interest at the specified rate from its date to its stated maturity date, and all Series 2019 Bonds maturing at any one time shall bear the same rate of interest.

Bidders must specify the rate or rates of interest which the Series 2019 Bonds hereby offered for sale shall bear. Bidders will be permitted to bid a single rate of interest for each bond maturity, according to the following:

- (i) Each interest rate must be a multiple of 1/8 or 1/20 of 1.0% per annum.
- (ii) Each interest rate must be greater than zero and no interest rate may exceed 8.0% per annum.
- (iii) The true interest cost (“TIC”) to the District may not exceed 5.0%, calculated as provided in “TERMS OF SALE – Best Bid” herein.

Premium: No bid shall be for less than 100% of the aggregate principal amount of the Series 2019 Bonds. No bid shall be for more than 103.5% of the aggregate principal amount of the Series 2019 Bonds.

Optional Redemption\*: The Series 2019 Bonds maturing on or before July 1, 2029 shall not be subject to redemption prior to their respective stated maturity dates. Bonds maturing on and after July 1, 2030, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after July 1, 2029 without premium. If less than all of the Series 2019 Bonds are called for redemption, such Series 2019 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District, and if less than all of the Series 2019 Bonds of any given maturity are called for redemption, the portions of such Series 2019 Bonds of a given maturity to be redeemed shall be redeemed by lot or as otherwise directed by the District.

TERMS OF SALE

Underwriter’s Discount: The underwriter’s discount shall not exceed 2.0% of the aggregate principal amount of the Series 2019 Bonds.

**Payment of Issuance Costs: The successful bidder will be required to pay up to \$210,000 in costs of issuance of the Series 2019 Bonds at the time of delivery of the Series 2019 Bonds. The payment of these costs is exclusive of and in addition to the allowable 2.0% underwriter’s discount. The costs of issuance amount required to be paid by the winning bidder should not be added to the purchase price paid for the Series 2019 Bonds. Payment of this amount is not optional. Therefore, bidders should take into account payment of such costs in calculating their bids.**

Best Bid: The Series 2019 Bonds will be awarded to the responsible bidder submitting the best responsive bid, considering the interest rate or rates specified and the premium offered, if any.

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\* Preliminary; subject to change.

The best bid will be the bid which represents the lowest TIC to the District. The TIC is the discount rate which, when used to discount all debt service payments on the Series 2019 Bonds back to the date of such Series 2019 Bonds, results in an amount equal to the price bid for the Series 2019 Bonds. In the event that two or more bidders offer bids for the Series 2019 Bonds at the same lowest TIC, the Authorized District Representative will determine which bidder will be awarded the Series 2019 Bonds in consultation with the District's Municipal Advisor. For the purpose of calculating the TIC, the mandatory sinking fund payments, if any (*see* "TERMS OF THE SERIES 2019 BONDS – Serial Bonds and/or Term Bonds"), shall be treated as serial maturities in such years. The determination of the bid representing the lowest TIC will be made without regard to any adjustments made or contemplated to be made after the award by the Authorized District Representative, as described herein under "TERMS OF THE SERIES 2019 BONDS – Adjustment of Principal Amounts," even if such adjustments have the effect of raising the TIC of the successful bid to a level higher than the bid containing the next lowest TIC prior to adjustment.

By submission of its bid, a bidder shall be deemed to have made the following representations:

- (1) The bidder has received and reviewed the Preliminary Official Statement with respect to the Series 2019 Bonds (the "Preliminary Official Statement") and as a condition to bidding on the Series 2019 Bonds, has determined that it can comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.
- (2) As of the date of its bid and as of the date of delivery of the Series 2019 Bonds, all members of the bidder's syndicate either participate in DTC or clear through or maintain a custodial relationship with an entity that participates in said depository.
- (3) Keygent LLC is not a participant in the bidding syndicate.
- (4) The true interest cost on the bonds does not exceed 5.0%.

Delivery of Bids: Each bid must be for not less than all of the Series 2019 Bonds hereby offered for sale. Bids for the Series 2019 Bonds must be for not less than the par value thereof. No bid will be accepted which contemplates the waiver of any interest or other concession by the bidder as a substitute for payment in full of the purchase price. Each bid must be in accordance with, and shall be deemed to incorporate, all of the terms and conditions set forth in this Official Notice of Sale. Bids may (but need not) be submitted on the bid form provided.

Each bid must state the aggregate purchase price of the Series 2019 Bonds and the interest rate applicable to each maturity thereof. Each bid may be for the par amount of the Series 2019 Bonds or more. The maximum TIC to the District of each bid may not exceed 5.0%, calculated as provided in "TERMS OF SALE – Best Bid."

Bids may only be delivered by electronic transmission via i-Deal/Parity, as follows:

*Electronic Transmission:* The District will accept bids in electronic form exclusively through i-Deal LLC's Parity System ("Parity"). Each bidder submitting an electronic bid understands and 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 District. Instructions and forms for submitting electronic bids must be obtained from Parity. Bidders may contact Parity directly at (212) 849-5021 or at the Parity website: <https://www.newissuehome.i-deal.com>.

**WARNINGS:** The District assumes no responsibility for ensuring or verifying bidder compliance with Parity’s procedures. The Authorized District Representative shall be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder. The District, the Municipal Advisor and Bond Counsel assume no responsibility for any malfunction of the Parity system, any failure of a bid to be received at the official time, or any error contained in any bid submitted electronically.

**THE AUTHORIZED DISTRICT REPRESENTATIVE RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID, WHETHER DELIVERED BY ELECTRONIC TRANSMISSION IS TIMELY AND COMPLETE.**

*Multiple Bids:* In the event multiple bids are received from a single bidder by any means or combination thereof, the Authorized District Representative shall accept the bid representing the lowest true interest cost to the District, and each bidder agrees by submitting any bid to be bound by such best bid.

Statement of True Interest Cost (TIC): Each bidder is requested, but not required, to state in its bid the total percentage TIC, which shall be considered as informative only and not binding on either the bidder or the Authorized District Representative.

Good Faith Deposit: The successful bidder shall be required to make a good faith deposit (the “Deposit”) of \$100,000 by wire transfer in immediately available funds prior to the formal award not later than 12:00 p.m. on the next business day following the award, payable to the order of The Bank of New York Mellon Trust Company, N.A., as paying agent with respect to the Series 2019 Bonds, to secure the District from any loss resulting from the failure of the bidder to comply with the terms of its bid. The successful bidder shall use the following wiring instructions in connection with the Deposit:

The Bank of New York Mellon Trust Company, N.A.  
Account Name: IAS BOND PROCEEDS COI JH  
ABA #: 021000018  
Account #: 4284888400  
RE: Sequoia UHSD 2019 Good Faith  
ATTN: Juliana Haidary (214) 468-6145

No interest will be paid upon the Deposit made by any bidder. Deposits of all bidders (except the successful bidder) will be returned by the District promptly following the award of the Series 2019 Bonds to the successful bidder. The Deposit of the successful bidder will, immediately upon acceptance of its bid, become the property of the District to be held and invested for the exclusive benefit of the District. The principal amount of such Deposit shall be applied to the purchase price of the Series 2019 Bonds at the time of delivery thereof.

If the purchase price is not paid in full upon tender of the Series 2019 Bonds, the successful bidder shall have no right in or to the Series 2019 Bonds or to the recovery of its Deposit, or to any allowance or credit by reason of such Deposit, unless it shall appear that such Series 2019 Bonds would not be validly issued if delivered to the successful bidder in the form and manner proposed. In the event of nonpayment by the successful bidder, the amount of the Deposit shall be retained by the District as and for liquidated damages for such failure by the successful bidder, and such retention shall constitute a full release and discharge of all claims by the District against the successful bidder arising from such failure. The District’s actual damages in such event may be greater or may be less than the amount of the Deposit. Each bidder waives any right to claim that the District’s actual damages are less than such amount.

Right of Rejection: The Authorized District Representative reserves the right to reject any and all bids and to waive any irregularity or informality in any bid which does not change the ranking of the bids received. If the sale of the Series 2019 Bonds is cancelled or postponed, all sealed bids shall be returned unopened.

Prompt Award: The Authorized District Representative will take action awarding the Series 2019 Bonds or rejecting all bids not later than 24 hours after the expiration of the time herein prescribed for the receipt of the bids, unless such time of award is waived by the successful bidder. Notice of the award will be given promptly to the successful bidder.

## CLOSING PROCEDURES AND DOCUMENTS

Delivery and Payment: Delivery of the Series 2019 Bonds through the facilities of DTC will be made to the successful bidder in New York, New York, as soon as the Series 2019 Bonds can be prepared, which it is estimated will be on or about May 22, 2019. Payment for the Series 2019 Bonds must be made in funds immediately available in San Francisco, California, on the date of delivery. Any expense of providing immediately available funds, whether by transfer of Federal Reserve Bank funds or otherwise, shall be borne by the successful bidder or bidders. The cost of printing the Series 2019 Bonds will be borne by the District.

Right of Cancellation: The successful bidder shall have the right, at its option, to cancel its obligation to purchase the Series 2019 Bonds if the Series 2019 Bonds are not executed and tendered for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of its good faith deposit.

CUSIP Numbers and Other Fees: The Municipal Advisor will timely apply for CUSIP numbers with respect to the Bonds as required by Municipal Securities Rulemaking Board's Rule G 34. The successful bidder will be responsible for the cost of assignment of such CUSIP numbers and any CUSIP Service Bureau charges related to the Bonds. The successful bidder shall also notify the CUSIP Service Bureau as to the final structure of the Bonds. It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print CUSIP numbers on any Bond nor any error with respect thereto will constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms contained herein and in the accepted bid. The successful bidder shall also be required to pay all fees required by The Depository Trust Company, New York, New York, the Securities Industry and Financial Markets Association, the Municipal Securities Rulemaking Board, and any other similar entity imposing a fee in connection with the issuance of the Series 2019 Bonds.

California Debt and Investment Advisory Commission Fee: Attention of bidders is directed to Section 8856 of the California Government Code, which provides that the lead underwriter or the purchaser of the Series 2019 Bonds shall be charged any California Debt and Investment Advisory Commission fee payable with respect to the Series 2019 Bonds.

### Establishment of Issue Price:

(a) The winning bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder,

the District and Bond Counsel. All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District's Municipal Advisor identified herein and any notice or report to be provided to the District may be provided to the District's Municipal Advisor.

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

(1) the District shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

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

Litigation: There is no litigation pending concerning the validity of the Series 2019 Bonds, the corporate existence of the District or the entitlement to their respective offices of the officers who will execute the Series 2019 Bonds and other documents or certificates, or the power of the County to levy and collect taxes on behalf of the District for payment of, and to pay interest and principal on, the Series 2019 Bonds, and the District will furnish to the successful bidder or bidders a no-litigation certificate or certificates certifying the foregoing as of and at the time of the delivery of the Series 2019 Bonds.

Legal Opinion: The legal opinion of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to the District, approving the validity of the Series 2019 Bonds, addressed to the District, will be furnished to the successful bidder upon delivery of the Series 2019 Bonds. Copies of the opinion will be filed with DTC and with the Paying Agent.

Tax Matters: Orrick, Herrington & Sutcliffe LLP will render to the District its legal opinion with respect to tax-exemption of the interest paid on the Series 2019 Bonds. *See* the discussion of Tax Matters in the Official Statement hereinafter referred to. In the event that prior to the delivery of the Series 2019 Bonds (a) the income received by private holders from obligations of the same type and character shall be declared to be includable in gross income (either at the time of such declaration or at any future date) for purposes of 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 tax effect on holders of the Series 2019 Bonds as such, the successful bidder may, at its option, prior to the tender of the Series 2019 Bonds by the District, be relieved of its obligation to purchase the Series 2019 Bonds, and in such case the deposit accompanying its bid will be returned. For purposes of the preceding sentence, interest will be treated as excludable from gross income for federal income tax purposes whether or not it is includable as an item of tax preference for calculating the alternative minimum tax or otherwise includable for purposes of calculating certain other tax liabilities.

Official Statement: The District has authorized an official statement relating to the Series 2019 Bonds. A copy of the Preliminary Official Statement will be furnished upon request made to the Municipal Advisor at the address given on the first page of this notice. The Preliminary Official Statement has been “deemed final” by the issuer for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final Official Statement. The District will furnish to the successful bidder, at no expense to the successful bidder, up to 25 copies of the final Official Statement within seven business days of the award date.

Official Statement Certificate: The District will provide to the successful bidder for the Series 2019 Bonds a certificate, signed by an official of the District, confirming to the successful bidder that, to the best knowledge of such official, at the time of the acceptance of the bid for the Series 2019 Bonds, the Preliminary Official Statement did not, and at the time of delivery of the Series 2019 Bonds, the Official Statement does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading (except that no view will be expressed concerning information contained in any of the Appendices except Appendix A, regarding DTC and its book-entry only system, information provided by the County Treasurer-Tax Collector regarding County investments, information provided by the successful bidder regarding the underwriting, reoffering, and CUSIP identification numbers of the Series 2019 Bonds, and information regarding any municipal bond insurance policy with respect to the Series 2019 Bonds and the provider thereof, as to all of which no view shall be expressed), and that there has been no material adverse change in the financial condition or affairs of the District which would make it unreasonable for the purchaser of the Series 2019 Bonds to rely upon the Official Statement in connection with the resale of the Series 2019 Bonds.

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## EXHIBIT A

### FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of \_\_\_\_\_ (the “Underwriter”) hereby certifies as set forth below with respect to the sale of the Sequoia Union High School District General Obligation Bonds, Election of 2014, Series 2019 (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 the Underwriter are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturity of the Bonds used by 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 the Underwriter to purchase the Bonds.

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

(c) The bid submitted by the 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 \_\_\_\_\_, 2019.

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

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the 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 Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick Herrington & Sutcliffe, LLP 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, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: \_\_\_\_\_, 2019.

[UNDERWRITER]

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

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**  
*(Attached)*

**SCHEDULE B**

**WINNING BID**

*(Attached)*