

OFFICIAL NOTICE OF SALE

\$71,400,000

**POMONA UNIFIED SCHOOL DISTRICT
(Los Angeles County, California)
GENERAL OBLIGATION BONDS
2016 ELECTION, SERIES D**

NOTICE IS HEREBY GIVEN by the Board of Education of the Pomona Unified School District (the "District"), that bids will be received by a representative of the District for the purchase of \$71,400,000 principal amount of bonds of the District designated the "Pomona Unified School District (Los Angeles County, California) General Obligation Bonds, 2016 Election, Series D" (the "Bonds"). Bids will be received in electronic form via BiDCOMP™/Parity ("Parity") on

THURSDAY, SEPTEMBER 24, 2020

or, at the option of the District, on successive days thereafter until acceptance of a bid, in either case at 9:00 a.m. Pacific Time. The District reserves the right to postpone or change the sale date upon 24 hours' notice as described below. The Bonds will be issued under the provisions of a Resolution adopted by the Board of Education of the District on August 19, 2020 (the "Bond Resolution"), and under the laws of the State of California. The Bonds are more particularly described in the proposed form of the Bond Resolution on file with the District (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 District for the purpose of financing the acquisition and construction of educational facilities to be used for the educational purposes of the District, in accordance with the ballot proposition under which the issuance of the Bonds has been authorized.

ISSUE; BOOK-ENTRY FORM: The Bonds will be issued in the aggregate principal amount of \$71,400,000 in the form of fully registered Bonds without coupons. The Bonds will be dated as of their original delivery, and will be issued in 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 August 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>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>
2022	\$500,000	2037	\$3,500,000
2023	1,100,000	2038	3,000,000
2024	200,000	2039	4,000,000
2027	500,000	2040	4,970,000
2028	500,000	2041	5,000,000
2029	500,000	2042	5,000,000
2030	600,000	2043	5,000,000
2031	800,000	2044	5,000,000
2032	800,000	2045	5,010,000
2033	2,300,000	2046	5,000,000
2034	2,500,000	2047	5,000,000
2035	2,785,000	2048	5,050,000
2036	2,785,000		

PAYMENT PROVISIONS: Interest on the Bonds will be payable on February 1, 2021, and on February 1 and August 1 in each year thereafter (the “Interest Payment Dates”), to the registered owners by check or draft of U.S. Bank National Association, as paying agent (the “Paying Agent”) or, in the case of the owner of Bonds in an aggregate principal amount of at least \$1,000,000, at the written request of such owner by wire transfer. Principal of the Bonds will be paid upon presentation and surrender thereof at the office of the Paying Agent. The principal of and interest on the Bonds are payable in lawful money of the United States of America.

OPTIONAL REDEMPTION: Bonds maturing on or before August 1, 2030, are not subject to redemption prior to their respective stated maturities. Bonds maturing on or after August 1, 2031, are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 2030, and on any date thereafter, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed together with accrued interest thereon to the date fixed for 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 August 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.

SECURITY: The Bonds are general obligations of the District, and the District will direct the appropriate officials of Los Angeles County (the “County”) to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

TAX-EXEMPT STATUS: In the opinion of Jones Hall, A Professional Law Corporation, bond counsel to the District, 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 District (the "Municipal Advisor"), as follows: Dale Scott & Co., 650 California Street, 8th Floor, San Francisco, California 94108, tel: (415) 956-1030. Such information is also available on the website of the Municipal Advisor at <http://www.dalescott.com/financings/>.

MUNICIPAL BOND INSURANCE; BIDDER'S OPTION: The District 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 District 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 District will have no responsibility for payment of such premium and costs.

CERTIFICATE REGARDING MUNICIPAL BOND INSURANCE: If the winning bidder elects to obtain a policy of municipal bond insurance for the Bonds, the bidder will be required to execute and deliver to the District a certificate, in form and substance acceptable to bond counsel, stating that (a) the present value of the fees for the municipal bond insurance policy is less than the present value of expected interest savings as a result of the insurance, determined by using the yield of the Bonds as the discount rate in computing present value; and (b) based on the experience of the purchaser in assisting issuers to obtain municipal bond insurance, the fees for the bond insurance policy do not exceed a reasonable arm's length charge for transfer of the credit risk represented by the insurance and do not include any payment for any direct or indirect services other than the transfer of credit risk.

TERMS OF SALE

RIGHT TO CANCEL, POSTPONE OR RESCHEDULE SALE: The District reserves the right to cancel, postpone or reschedule the sale of the Bonds upon notice published on the website of the Financial Advisor and 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.

ELECTRONIC BIDS: The District 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 District. Instructions and forms for submitting electronic bids must be obtained from Parity, and the District assumes no responsibility for ensuring or verifying bidder compliance with Parity's procedures. The District will be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder.

Neither the District, the County, the Financial 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 District at the place of bid opening, and the District will not be required to accept the time kept by Parity as the official time. The District assumes no responsibility for informing any bidder prior to the deadline for receiving bids that its bid is incomplete, or not received.

FORM OF BID; MINIMUM PURCHASE PRICE: Each proposal must be for not less than all of the Bonds hereby offered for sale. The purchase price to be paid for the Bonds by the winning bidder, net of the winning bidder's compensation and, if obtained, bond insurance premium, shall not be less than 106.0% of the par value thereof nor more than 110.0% of the par value thereof. ***No bid will be entertained if the amount of original issue premium on the sale of the Bonds (net of Purchaser's compensation and bond insurance premium, if bond insurance is obtained) exceeds the first 34 months of interest coming due and payable on the Bonds, in order to comply with applicable federal tax law requirements.***

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% 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 date of original delivery 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 must bear the same rate of interest.

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 District.

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 date of original delivery (which is assumed to be October 15, 2020) 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 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 District 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 August 1 in any year). The aggregate principal amount of the Bonds will be equal to \$71,400,000 under any circumstances. The District 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 District 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 District receives at least three bona fide bids for the sale of 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 Closing Date a certificate to such effect, and provide to the District, 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 A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond Counsel.

In the event the District receives fewer than three bona fide bids for the Bonds, the District 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 District will treat the Initial Offering Prices as of the date that the Bonds are awarded by the District to the successful bidder (the "Sale Date") as the issue price of the Bonds. The District 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 District.

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 District 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 District 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 District 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 District (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 District 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 District, by notice to the successful bidder. If two or more bids setting

forth identical interest rates and premium, 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 District 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 District 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, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

PAYMENT OF PURCHASE PRICE: The successful bidder will be required to pay the purchase price of the Bonds in funds which are immediately available to the Los Angeles County Treasurer-Tax Collector. Such payment shall be made on the date of original delivery of the Bonds by the District to DTC.

NO GOOD FAITH DEPOSIT: A good faith deposit is not required in connection with the sale of the Bonds.

NO LITIGATION: There is no litigation pending concerning the validity of the Bonds, the corporate existence of the District, or the entitlement of the District 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 District, 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 District has 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 District for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Within seven business days from the sale date, the District will deliver to the purchaser copies of the final Official Statement, executed by an authorized representative of the District and the District 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 District (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.

CERTIFICATE REGARDING OFFICIAL STATEMENT: A responsible officer of the District will certify to the original purchaser of the Bonds, 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.

CERTIFICATE REGARDING OFFICIAL STATEMENT: A responsible officer of the District 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.

DISCLOSURE COUNSEL OPINION: The firm of Jones Hall, A Professional Law Corporation, as Disclosure Counsel to the District, will provide a letter to the original purchaser of the Bonds regarding the Official Statement. Such letter will be to the effect that during the course of Disclosure Counsel's work with regard to the Bonds, no facts have come to their attention that cause them to believe that the Official Statement (except for any financial and statistical data and forecasts, numbers, estimates, assumptions and expressions of opinion, and information concerning the Depository Trust Company and the book-entry system) 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 District has committed to undertake, under the Bond Resolution 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 District, and the failure by the District 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 Board of Education of the Pomona Unified School District by resolution adopted August 19, 2020.