

SUPPLEMENT DATED SEPTEMBER 29, 2020

TO THE

OFFICIAL NOTICE OF SALE DATED SEPTEMBER 24, 2020

(Appendix E to Preliminary Official Statement dated September 14, 2020)

relating to the

\$394,565,000*

**MASSACHUSETTS SCHOOL BUILDING AUTHORITY
SENIOR DEDICATED SALES TAX REFUNDING BONDS
2020 SERIES C (FEDERALLY TAXABLE)**

The Official Notice of Sale for the above-referenced 2020 Bonds is hereby amended by changing the aggregate par amount of the 2020 Bonds to \$391,980,000* and by replacing the table describing the principal amounts and maturities of the 2020 Bonds in the section captioned "Details of the 2020 Bonds" with the following:

<u>Maturity Date</u> <u>(May 15)*</u>	<u>Principal Amounts*</u>
2023	\$23,645,000
2024	6,210,000
2035	5,790,000
2036	5,935,000
2037	30,480,000
2038	35,045,000
2039	5,020,000
2040	26,565,000
2041	49,390,000
2042	129,655,000
2043	74,245,000

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

*Preliminary, subject to change.

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OFFICIAL NOTICE OF SALE

\$394,565,000*

**MASSACHUSETTS SCHOOL BUILDING AUTHORITY
SENIOR DEDICATED SALES TAX REFUNDING BONDS
2020 SERIES C (FEDERALLY TAXABLE)**

September 24, 2020

NOTICE IS HEREBY GIVEN that electronic bids will be received by the Massachusetts School Building Authority (the “Authority”), for the purchase of all of the Senior Dedicated Sales Tax Refunding Bonds, 2020 Series C (Federally Taxable) (the “2020 Bonds”), of the Authority to be sold in an aggregate principal amount of \$394,565,000*. Bids for the purchase of the 2020 Bonds will be submitted via Parity. No other method of submitting bids will be accepted. The bids will be received via Parity up to the time described below under the captions “Time” and “Procedures for Electronic Bidding.”

The 2020 Bonds are senior special obligations of the Authority. The principal of and interest on the 2020 Bonds are payable from and secured by a senior lien on and pledge of (i) moneys deposited directly with the Trustee by The Commonwealth of Massachusetts (the “Commonwealth”), without appropriation, allotment or other action, which are derived from a 1% statewide sales tax imposed by the Commonwealth (which is drawn from the existing statewide 6.25% sales tax), excluding sales tax revenues on meals and certain additional statutorily exempted revenues from sales, and (ii) certain funds and accounts held under the Trust Agreement, all as further described in the Preliminary Official Statement. The Authority has no taxing power.

Time. Bids will be received by the Authority via Parity at 10:00 a.m. (Boston time) on September 30, 2020 (subject to the provisions described below under the caption “Procedures for Electronic Bidding”) or at such later date and/or other time as shall be established by the Authority and communicated on Thomson Municipal Market Monitor News (www.tm3.com) (“TM3”), as described herein under the caption “Cancellation or Postponement.” If no legal bid or bids are received for the 2020 Bonds on September 30, 2020, an alternative date and time may be designated by the Authority and communicated on TM3.

Procedures for Electronic Bidding. A prospective electronic bidder must register electronically to bid for the 2020 Bonds via Parity pursuant to this Official Notice of Sale. By submitting its bid for the 2020 Bonds, a prospective bidder represents and warrants to the Authority that such bidder’s bid for the purchase of any of the 2020 Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the 2020 Bonds.

Each prospective electronic bidder shall be solely responsible to register to bid via Parity. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access Parity for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Authority nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the Authority nor Parity shall be responsible for a bidder’s failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by Parity. The Authority is using Parity as a communication mechanism, and not as the Authority’s agent, to conduct the electronic bidding for the 2020 Bonds. The Authority is not bound by any advice and determination of Parity to the effect that any particular bid complies with the terms of this Official Notice of Sale. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the Authority is not responsible, directly or indirectly, for any such costs or expenses. To the extent that any instructions or directions set forth in Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. If a prospective bidder

* Preliminary, subject to change.

encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the 2020 Bonds, such bidder should telephone Parity’s new issues desk at (212) 849-5021.

Electronic bids must be submitted for the purchase of the 2020 Bonds via Parity by 10:00 a.m. (Boston time) on September 30, 2020. Bids submitted after such time will not be deemed received via Parity for the purposes of this bidding process. Bids will be communicated electronically to the Authority at 10:00 a.m (Boston time), on September 30, 2020. Prior to that time, an eligible prospective bidder may (i) input the proposed terms of its bid via Parity, (ii) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the 2020 Bonds, or (iii) withdraw its proposed bid. Once the bids are communicated electronically via Parity to the Authority, each bid will constitute an irrevocable offer to purchase the 2020 Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on Parity shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Authority, as described under “Basis of Award” set forth below, represented by the rate or rates of interest and the bid price specified in their respective bids.

Details of the 2020 Bonds. The 2020 Bonds will be dated and bear interest, calculated on the basis of 30-day months and a 360-day year, from the date of delivery, at the rate per annum per maturity specified by the successful bidder, payable semiannually on May 15 and November 15 in each year, commencing May 15, 2021, and at maturity. The 2020 Bonds shall mature on the dates and in the principal amounts shown below:

Maturity Date (May 15)*	<u>Principal Amounts</u>
2023	\$23,860,000
2024	6,425,000
2035	6,005,000
2036	6,155,000
2037	30,710,000
2038	35,280,000
2039	5,260,000
2040	26,810,000
2041	49,640,000
2042	129,915,000
2043	74,505,000

The 2020 Bonds will be issued as serial bonds or as a combination of serial bonds and one or more term bonds in accordance with the bid submitted by the successful bidder (see “Bidding Parameters” below).

The 2020 Bonds will be issued by means of a book-entry-only system evidencing ownership therein, in principal amounts of \$5,000 or integral multiples thereof, and transfer thereof on the records of The Depository Trust Company (“DTC”) and its participants. The book-entry-only system is more fully described in the Preliminary Official Statement.

Redemption*. The Authority may redeem the 2020 Bonds on any date, subject to payment of the Redemption Price or the Make Whole Payment, as applicable, as set forth below.

Optional Redemption of 2020 Bonds at Par. The 2020 Bonds maturing after May 15, 2030 are subject to redemption prior to maturity at the option of the Authority, on or after May 15, 2030 (the “Par Call Date”), as a whole or in part at any time, and if in part, such maturities as selected by the Authority, (on a pro rata basis with respect to the 2020 Bonds to be redeemed, as described below) at a redemption price equal to the principal amount of each 2020 Bond or portion thereof to be redeemed, plus accrued interest to the redemption date.

* Preliminary, subject to change. Any change will be announced on TM3 not later than 9:30 a.m. (Boston, Massachusetts time) on any announced date for receipt of bids.

Optional Redemption of 2020 Bonds with Make Whole Payment. The 2020 Bonds are subject to redemption prior to the Par Call Date at the option of the Authority, in whole or in part at any time, and if in part, such maturities as selected by the Authority, (on a pro rata basis with respect to 2020 Bonds to be redeemed, as described below), at a redemption price equal to the greater of (the “Make Whole Payment”):

- (i) 100% of the principal amount of the 2020 Bonds to be redeemed; and
- (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the 2020 Bonds to be redeemed to the earlier of the Par Call Date or the maturity date of the 2020 Bonds to be redeemed (exclusive of interest accrued to the date fixed for redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, plus 25 basis points,

plus accrued interest to the redemption date.

Bidding Parameters. Bids must be for all of the 2020 Bonds offered and must offer to pay an aggregate price for the 2020 Bonds of 100% of the aggregate principal amount of each maturity of the 2020 Bonds. Bidders shall specify the amount of premium, if any, that they will pay, in addition to the par value, to purchase such 2020 Bonds.

The 2020 Bonds will be issued as serial bonds or as serial bonds and one or more term bonds in accordance with the bid submitted by the successful bidder. The 2020 Bonds issued as term bonds shall be subject to mandatory sinking fund redemption commencing on May 15 of the first year in which maturities have been combined to form such term bond and continuing on May 15 in each year thereafter until the stated maturity date of such term bond.

Bids must state a single fixed interest rate for each maturity of the 2020 Bonds. The rate of interest stated for any given maturity shall be in a multiple of one-one-hundredth of one percent per annum.

The Authority reserves the right to adjust the principal amount of the 2020 Bonds after the determination of the winning bid by such amount as may be necessary to produce sufficient funds for the purposes for which the 2020 Bonds are being issued after taking into account any net premium to be received by the Authority and the final cost of the escrow securities. In such event, the final aggregate principal amount of the 2020 Bonds will be adjusted by not more than 10% of the aggregate principal amount of the 2020 Bonds stated in this Official Notice of Sale. The dollar amount bid for the affected 2020 Bonds by the winning bidder will be adjusted, if applicable, to reflect changes in the aggregate dollar amount of the affected 2020 Bonds. Any such adjustments will be communicated to the winning bidder by 2:30 p.m. (Boston time) on the day of the sale. The successful bidder may not withdraw its bid or changes the interest rate bid or initial reoffering price as a result of any changes made to the principal amount in accordance herewith.

The Authority has not contracted for the issuance of any credit enhancement for the 2020 Bonds. If the 2020 Bonds qualify for any credit enhancement, any purchase of such credit enhancement shall be at the sole option and expense of the successful bidder, and any increased costs of issuance or delivery of the 2020 Bonds resulting by reason of such credit enhancement shall be assumed by such bidder. Bids shall not be conditioned upon the issuance of any such credit enhancement. Any failure of the 2020 Bonds to be enhanced or of any such credit enhancement to be issued shall not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its bid for the purchase of the 2020 Bonds.

Bids may not include any conditions not otherwise expressly provided for herein.

Good Faith Deposit. Upon notification from the Authority, the successful bidder shall wire transfer to the Authority an amount equal to 1% of the final principal amount of the Series 2020 Bonds (the “Good Faith Deposit”), in immediately available funds, no later than 2:45 p.m. (Boston time) on the bid date. The Authority will provide wiring instructions for the Good Faith Deposit to the successful bidder upon verification and award. In the event that the Authority has not received such funds by the time stated, the Authority may revoke its acceptance of the bid. No interest on the Good Faith Deposit will accrue to the successful bidder. The Good Faith Deposit will be applied to the

purchase price of the 2020 Bonds. If the successful bidder fails to honor its accepted bid, the Good Faith Deposit will be retained by the Authority.

Basis of Award. The Authority reserves the right to reject any or all proposals and to waive any irregularity or informality with respect to any proposal.

The 2020 Bonds will be awarded to the bidder offering to purchase the 2020 Bonds at the lowest true interest cost (TIC) to the Authority. The TIC under each proposal to purchase the 2020 Bonds (expressed as an annual interest rate) will be determined as being twice that factor or discount rate, compounded semiannually, which, when applied against the interest and principal payments due on the 2020 Bonds will cause such sum to be equal to the total purchase price thereof. The TIC shall be calculated from the dated date of the 2020 Bonds (October 8, 2020) to the maturity date, with discounting periods calculated on a 30/360 basis.

Official Statement. The Preliminary Official Statement dated September 24, 2020 and the information contained therein have been deemed final by the Authority within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”) with permitted omissions, but are subject to change without notice and to completion or amendment in the Official Statement in final form (the “Final Official Statement”). The Preliminary Official Statement is available via Parity and via the Electronic Municipal Market Access (EMMA) system established by the Municipal Securities Rulemaking Board at www.emma.msrb.org.

The Authority does not intend to print physical copies of the Final Official Statement but instead will make available to the successful bidder an electronic version of the Final Official Statement via the EMMA system. The Authority will post the Final Official Statement within seven business days of the date of sale but no later than two business days prior to settlement. Any successful bidder shall be required to cooperate in providing the information necessary to complete the Final Official Statement.

The successful bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board, including an obligation, if any, to update the Final Official Statement.

Continuing Disclosure. To assist the initial purchaser of the 2020 Bonds in complying with paragraph (b)(5) of Rule 15c2-12, the Authority will undertake to provide notices of certain events. A description of this undertaking is set forth in Appendix C of the Preliminary Official Statement and will also be set forth in the Final Official Statement.

Expenses. Each bid will be deemed to be an all-in bid. The successful bidder will be under no obligation to pay the Authority’s issuance costs. The Authority will not pay any expenses of any bidder, whether or not successful, in connection with the issuance or purchase of the 2020 Bonds.

Settlement. The 2020 Bonds will be delivered on October 8, 2020, in New York, New York, at DTC against payment of the purchase price therefor (less the amount of the Good Faith Deposit). The successful bidder must make payment of the purchase price of the 2020 Bonds by 10:00 a.m. (Boston time) on October 8, 2020 in immediately available funds in Boston.

There will also be furnished the usual closing papers, including (1) a certificate signed by the General Counsel of the Authority stating that no litigation of any kind is now pending or, to the best of her knowledge, threatened, affecting the validity of or security for the 2020 Bonds or the existence or powers of the Authority, including any litigation which raises an issue as to (a) the valid existence of the Authority, (b) the right and power of the Authority to issue and sell the 2020 Bonds as provided in the Official Notice of Sale, (c) the validity of the 2020 Bonds, (d) the pledge of the moneys and funds for the benefit of the 2020 Bonds as provided in the Trust Agreement, or (e) the power of the Authority to perform its obligations and exercise its rights under its enabling act; (2) a certificate of the Attorney General of the Commonwealth stating that no action, suit, proceeding, litigation or investigation at law or in equity before any court, public board or body in which the Commonwealth is named as a party is pending or, to the knowledge of the Office of the Attorney General, threatened against or affecting the Commonwealth (a) in any way contesting or affecting the right of the Commonwealth to collect and apply the Pledged Receipts (as defined in the Preliminary Official Statement) as set forth in the Trust Agreement and the Authority’s enabling act; (b) in any way contesting or affecting the validity or enforceability of the 2020 Bonds, the

Trust Agreement or the Authority's enabling act, (c) seeking to prohibit, restrain or enjoin the issuance, delivery or sale of any of the 2020 Bonds, (d) affecting the power of the Commonwealth to perform its obligations and exercise its rights under the Authority's enabling act or (e) contesting in any way the completeness, accuracy or fairness of the information in the Preliminary Official Statement and the Final Official Statement related to the Commonwealth under the heading "LITIGATION"; and (3) certificates of the Executive Director of the Authority and the Commissioner of the Department of Revenue of the Commonwealth (the "Commissioner of Revenue") to the effect that, except for the initial offering prices or yields of the 2020 Bonds and any other information concerning the reoffering of the 2020 Bonds included therein at the request of the successful bidder and the information in the Preliminary Official Statement and the Final Official Statement under the heading "THE 2020 BONDS – Book-Entry-Only System," both as of the date of sale and the date of settlement of the 2020 Bonds, did not contain any untrue statement of a material fact and did not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, with the certificate of the Commissioner of Revenue covering matters within the jurisdiction of the Department of Revenue and the certificate of the Executive Director of the Authority excluding such matters.

Legal Opinions. The approving opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Bond Counsel, in substantially the form set forth in the Preliminary Official Statement, will be furnished to the successful bidder.

A supplemental opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Bond Counsel, will also be furnished to the successful bidder to the effect that (i) based upon their participation in the preparation of the Preliminary Official Statement and the Final Official Statement as bond counsel to the Authority, the information in the Preliminary Official Statement and the Final Official Statement under the headings "INTRODUCTION – General," "SOURCES OF PAYMENT AND SECURITY FOR THE 2020 BONDS" (except for the information under the subheadings "Dedicated Sales Tax Revenue Amount - *General*", the final sentence of the second paragraph under the subheading "Dedicated Sales Tax Revenue Amount - *Dedicated Sales Tax Revenue Amount*", the information under the subheading "History of Commonwealth Sales Tax Receipts" including the information in the table "HISTORICAL COMMONWEALTH SALES TAX RECEIPTS," with respect to the specific payment dates set forth in the second paragraph under the subheading "Smart Fund"), "THE AUTHORITY – Power to Issue Bonds," "THE 2020 BONDS" (except for the information under the subheading "Book-Entry Only System"), "LEGAL INVESTMENTS AND SECURITY FOR DEPOSITS," "LEGISLATION" (but only as to the third paragraph thereof), "TAX MATTERS" and in Appendix A thereto, and in the summary tax opinion contained on the cover of the Preliminary Official Statement and the Final Official Statement, is accurate and complete in all material respects and (ii) based upon their participation in the preparation of the Preliminary Official Statement and the Final Official Statement, and without having undertaken to determine independently the accuracy or completeness of the statements in the Preliminary Official Statement and the Final Official Statement (other than those set forth in the preceding sentence), no facts have come to their attention which would cause them to believe that the Preliminary Official Statement as of its date and as of the sale date and the Final Official Statement as of its date and as of the settlement date (except for the financial and statistical data included in the Preliminary Official Statement and the Final Official Statement, the information therein under the captions "INTRODUCTION – Competitive Sale" "COMPETITIVE SALE OF THE 2020 BONDS," "RATINGS," "MUNICIPAL ADVISOR" and "THE 2020 BONDS–Book-Entry Only System," and any information therein concerning the reoffering of the 2020 Bonds included therein at the request of the successful bidder, and the financial statements referenced therein, as to which they express no view) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

An opinion of Greenberg Traurig, LLP, Boston, Massachusetts, Disclosure Counsel to the Authority, will also be furnished to the successful bidder to the effect that based upon their participation in the preparation of the Preliminary Official Statement and the Final Official Statement, and without having undertaken to determine independently the accuracy or completeness of the statements in the Preliminary Official Statement and the Final Official Statement, no facts have come to their attention which would cause them to believe that the Preliminary Official Statement as of its date and as of the sale date and the Final Official Statement as of its date and as of the settlement date (except for the financial and statistical data included in the Preliminary Official Statement and the Final Official Statement, the information therein under the captions "RATINGS" and "THE 2020 BONDS–Book-Entry Only System" and any information therein concerning the reoffering of the 2020 Bonds included therein, and the financial statements referenced therein, as to which they express no view) contained or contains any untrue statement of a

material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

CUSIP Numbers. PFM Financial Advisors, LLC, financial advisor to the Authority in connection with the 2020 Bonds, will timely apply for CUSIP numbers with respect to the 2020 Bonds as required by MSRB Rule G-34. The successful bidder will be responsible for the cost of assignment of such CUSIP numbers. The successful bidder will be responsible for notifying CUSIP Global Services of any changes in structure and shall add or cancel CUSIP numbers as needed to conform to the final structure.

Right to Modify or Amend Notice of Sale. The Authority reserves the right to modify or amend this Official Notice of Sale in any respect prior to the bid date. If any modifications occur, supplemental information with respect to the 2020 Bonds will be communicated by posting on TM3 not later than 9:30 a.m. (Boston time) on any announced date for receipt of bids, and bidders shall bid upon the 2020 Bonds based upon the terms thereof set forth in this Official Notice of Sale, as so modified by such supplemental information.

Cancellation or Postponement. The Authority reserves the right to cancel or postpone the date and/or time established for the receipt of bids. Any such cancellation or postponement will be announced by posting on TM3 prior to commencement of the bidding. If any date and/or time fixed for the receipt of bids and the sale of the 2020 Bonds is postponed, an alternative sale date and time will be announced at least one business day prior to such alternative sale date. On any such alternative sale date and time, any bidder may submit bids electronically as described above for the purchase of the 2020 Bonds in conformity in all respects with the provision of this Official Notice of Sale, except for the date and/or time of sale and except for any changes announced by posting on TM3 at the time the sale date and/or time are announced.

Additional Information. Further information concerning the Authority and the 2020 Bonds is contained in the Preliminary Official Statement dated September 24, 2020, to which prospective bidders are directed, and to which this Official Notice of Sale is attached. The Preliminary Official Statement is provided for informational purposes only and is not a part of this Official Notice of Sale.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

By: /s/ John K. McCarthy

John K. McCarthy
Executive Director