

NOTICE OF BOND SALE

WASHINGTONVILLE CENTRAL SCHOOL DISTRICT ORANGE COUNTY, NEW YORK

\$874,493 SCHOOL DISTRICT SERIAL BONDS, 2018

SALE DATE: **APRIL 11, 2018 (WEDNESDAY)** Location: R. G. Timbs, Inc
24 Sherman Oaks Drive
New Hartford, New York 13413
Facsimile or
Telephone Bids Until: 11:00 A.M. (Prevailing Time)
Bonds Dated: April 25, 2018 (WEDNESDAY) Fax: (315) 266-9212
Bonds Mature: September 15, 2018-2022 Phone: (585) 747-8111

Notice is given that the Washingtonville Central School District, Orange County, New York (the "School District") will receive facsimile or telephone bids, as described above, for the purchase at not less than par and accrued interest of \$874,493 School District Serial Bonds, 2018, dated April 25, 2018 (the "Bonds"), maturing on September 15 in the years and amounts set forth below:

<u>Year</u>	<u>Amount</u>
2018	\$164,493
2019	\$170,000
2020	\$175,000
2021	\$180,000
2022	\$185,000

with interest payable semi-annually on March 15 and September 15 in each year until maturity, commencing on September 15, 2018. Said Bonds will be issued with no option of prepayment.

The Bonds are being issued pursuant to the Constitution and Laws of the State of New York, including among others, the Local Finance Law, the Education Law and a bond resolution duly adopted by the Board of Education on July 10, 2017 authorizing the issuance of serial bonds for the acquisition of school buses.

Submission of Bids

NO GOOD FAITH DEPOSIT SHALL BE REQUIRED. Bidders may only bid to purchase all of the Bonds. No bid for less than 100% of par shall be considered. Bidders must state the rate or rates of interest per annum (computed on the basis of a 360-day year and twelve 30-day months) which the Bonds are to bear in multiples of one-hundredth or one-eighth of one per cent. All Bonds maturing on the same date must bear interest at the same rate. The School District reserves the right to reject any and all bids (regardless of the interest rate bid), to reject any bid not complying with this official Notice of Bond Sale and, so far as permitted by law, to waive any irregularity or informality with respect to any bid or the bidding process.

Proposals may be submitted in accordance with this Notice of Bond Sale until the time specified herein. No proposal will be accepted after the time for receiving proposals specified

above. Any proposal received by the time for receiving proposals specified herein, which has not been modified or withdrawn by the bidder, shall constitute an irrevocable offer to purchase the Notes pursuant to the terms herein and therein provided.

The timely delivery of all proposals submitted by facsimile transmission (FAX) must be in legible and complete form, signed by an authorized representative of the bidder, and shall be the sole responsibility of the bidder. The School District shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner

Terms

Each bid must be for all of said \$874,493 serial bonds and may state different rates of interest for bonds maturing in different calendar years; provided, however, that (i) only one rate of interest may be bid for bonds of the same maturity, (ii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to bonds maturing in any prior calendar year, and (iii) all rates of interest bid must be stated in a multiple of one eighth or one hundredth of one per centum per annum. Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase said bonds at such rate or rates of interest as will produce the lowest net interest cost computed in accordance with the net interest cost method of calculation. The net interest cost computation should be made as of the date of the delivery of the bonds. If two or more such bidders offer to purchase the bonds at the same net interest cost, computed as described above, the bonds will be awarded to the bidder whose bid offers to purchase the bonds at the highest premium dollar amount. The right is reserved to reject any or all bids, and any bid not complying with this Notice of Bond Sale will be rejected.

At the option of the purchaser, the bonds will be issued in (i) registered certified form, registered in the name of the purchaser or (ii) registered book-entry-only form, registered to Cede & Co., as partnership nominee for The Depository Trust Company, New York, New York ("DTC"). All expenses related to DTC shall be the responsibility of the purchaser. The bonds will be initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as set forth herein. The bonds may not be converted into coupon bonds or be registered to bearer.

If the Bonds are issued in non-book-entry form, they will be issued as registered certificated obligations, in the name of the purchaser. Principal and interest on the Bonds are payable at maturity in lawful money of the United States of America (Federal Funds). The purchaser shall have the right to designate a bank or banks located and authorized to do business in the State of New York as the place or places for the payment of the principal and interest on the Bonds. The paying agent on the Bonds may be designated by the winning bidder. Paying agent fees, if any, shall be paid by the purchaser.

If issued in book-entry-only form, the Bonds will be registered in the name of Cede & Co., as partnership nominee of DTC, which will act as securities depository for the bonds. Ownership interest in the bonds will be transferred pursuant to the "Book-Entry-Only System" of DTC. Principal and interest on the bonds will be payable by check or draft mailed by the School District Clerk (the "Fiscal Agent") to DTC, or to its nominee, Cede & Co., as the registered owner of the bonds. Principal and interest on the bonds will be payable in lawful money of the United States of America.

The Bonds will be fully registered and will be valid and legally binding general obligations of said School District, all the taxable real property within which will be subject to the levy of ad valorem taxes to pay said bonds and interest thereon, without limitation as to rate or amount, subject to applicable statutory limitations.

The State Constitution requires the School District to pledge its faith and credit for the payment of the principal of the bonds and the interest thereon and to make annual appropriations for the amounts required for the payment of such interest and the redemption of such bonds. The State Constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the bonds and certain other obligations of the School District, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes; also that the fiscal officer of the School District may be required to set apart and apply such revenues as aforesaid at the suit of any holder of such obligations.

In the event of a default in the payment of the principal of and/or interest on the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the School District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State of New York with the holders from time to time of the Bonds.

THE SCHOOL DISTRICT RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN ONE HOUR PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF BOND SALE TO BE TRANSMITTED OVER TM3.

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefore at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefore shall be at the sole option and expense of such bidder and any increased costs of issuance of the Bonds resulting by reason of the same shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for said Bonds in accordance with the terms of the purchase contract.

In the event that prior to the delivery of the bonds, the income received by owners thereof from bonds of the same type and character becomes includable in the gross income of such owners for Federal income tax purposes, the successful bidder may, at such bidder's election, be relieved of such bidder's obligations under the contract to purchase the bonds.

The purchase price of the bonds, in accordance with the purchaser's bid, shall be paid IN FEDERAL FUNDS or other funds available for immediate credit on the day of delivery, in an amount equal to the par amount of such bonds, plus the premium, if any, plus accrued interest from the date of such bonds until said day of delivery. The closing on said bonds will take place at the offices of Norton Rose Fulbright US LLP, 1301 Avenue of the Americas, 28th Floor, New York, New York, on or about April 25, 2018.

CUSIP identification numbers will be printed on said bonds if the purchaser provides Bond Counsel with such numbers by telefax or any other mode of written communication (verbal advice will not be accepted) by 5:00 P.M. on the date of sale of the bonds, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or

refusal by the purchaser thereof to accept delivery of and pay for said bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on said bonds shall be paid for by the issuer; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

If the bonds are issued in book-entry-form, the bonds will be available for inspection by the purchaser at DTC, not less than 24 hours prior to the time set for the delivery thereof. It shall be the responsibility of the purchaser to verify the CUSIP numbers at such time.

As a condition to the purchaser's obligation to accept delivery of and pay for the bonds, the following documents will be available to the purchaser, without cost, dated as of the date of the delivery of and payment for the bonds: (i) a Closing Certificate, constituting receipt for the bond proceeds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the bonds; (ii) a tax certificate executed on behalf of the School District which includes, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986 (the "Code"), with the owners of the bonds that the School District will, among other things, (A) take all actions on its part necessary to cause interest on the bonds to be excludable from the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the bonds and investment earnings thereon, making required payments to the Federal government, if any, with regard to both the bonds and any obligations refunded with proceeds of the bonds, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the bonds to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the bonds and investment earnings thereon on certain specified purposes; and (iii) the unqualified legal opinion as to the validity of the bonds of Norton Rose Fulbright US LLP, New York, New York, Bond Counsel.

The successful bidder shall agree to comply with the requirements of Schedule A hereto relating to the establishment of the "issue price" of the Bonds as defined for purposes of Section 148 of the Code.

The School District will NOT designate the bonds "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

No official statement accompanies this Notice of Bond Sale.

The School District contact information is as follows: Paul Nienstadt, Assistant Superintendent for Business Washingtonville Central School District, 52 West Main Street, Washingtonville, NY 10992, telephone number 845-497-4000, email: pnienstadt@ws.k12.ny.us

Additional information or additional copies of the Notice of Bond Sale may be obtained upon request from the offices of R. G. Timbs, Inc., telephone number (585) 747-8111, or at www.RGTimbsInc.net.

Dated: Washingtonville, New York
March 29, 2018

/s/ William Santos
President

SCHEDULE A TO NOTICE OF BOND SALE

(a) The winning bidder shall assist the School District in establishing the issue price of the Bonds and shall execute and deliver to the School District by closing an “issue price” certificate setting forth among other things the reasonably expected initial offering price to the public, together with the supporting pricing wires or equivalent communications. The form of such issue price certificate is available by contacting Bond Counsel or the School District’s municipal advisor, R. G. Timbs, Inc. All actions to be taken by the School District under this Notice of Bond Sale to establish the issue price of the Bonds may be taken on behalf of the School District by the School District’s municipal advisor identified herein, and any notice or report to be provided to the School District may be provided to the School District’s municipal advisor.

(b) The School 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 School District shall disseminate this Notice of Bond 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 School District may receive bids from at least three underwriters of municipal obligations who have established industry reputations for underwriting new issuances of municipal obligations; and
- (4) the School 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 Notice of Bond Sale.

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

(c) If the competitive sale requirements are not satisfied, the School District shall so advise the winning bidder. In such event, unless the winning bidder is purchasing for its own account and not for resale, the School District intends to treat the initial offering price to the public as of the sale date of each maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”). The School District shall promptly advise the winning bidder, at or before the time of award of the Bonds, if the competitive sale requirements were not satisfied, in which case the hold-the-offering-price rule shall apply to the Bonds. Bids will not be subject to cancellation by the winning bidder if the competitive sale requirements are not satisfied and the hold-the-offering-price rule applies. If the winning bidder is purchasing the Bonds for its own account and not for resale, then, whether or not the competitive sale requirements are met, the issue price certificate will recite such facts and identify the price or prices at which the purchase of the Bonds was made.

(d) By submitting a bid, the winning bidder shall, unless it is purchasing all of the Bonds for its own account and not for resale, (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices

(the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule applies to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the School 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 to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(e) The School District acknowledges that, in making the representation set forth above, the winning bidder may 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) if 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) if 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.

(f) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (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 winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires; (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (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 winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires; and (iii) either (A) it is purchasing for its own account all of the Bonds, without any present intention to sell, reoffer or otherwise dispose of

the Bonds, or (B) it has an established industry reputation for underwriting new issuances of municipal bonds.

(g) 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 Notice of Bond Sale. Further, for purposes of this section of the Notice of Bond Sale:

- (1) “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,
- (2) “public” means any person other than an underwriter or a related party,
- (3) “underwriter” means (A) any person that agrees pursuant to a written contract with the School District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (4) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (5) “sale date” means the date that the Bonds are awarded by the School District to the winning bidder.

PROPOSAL FOR BONDS

William Santos, President of the Board of Education
Washingtonville Central School District
Orange County, New York
c/o R. G. Timbs, Inc.
24 Sherman Oaks Drive
New Hartford, New York 13413
Telefax # (315) 266-9212

SALE DATE: April 11, 2018
TIME: 11:00 A.M., Eastern Time

WASHINGTONVILLE CENTRAL SCHOOL DISTRICT ORANGE COUNTY

\$874,493 School District Serial Bonds, 2018

Date: April 25, 2018

Maturity Dates: September 15, 2018/2022

Dear Mr. Santos,

For the \$874,493 School District Serial Bonds, 2018 of the Washingtonville Central School District, Orange County, New York, that are subject of the annexed Notice of Private Competitive Bond Sale, which is hereby made a part of this bid, we will pay \$874,493 plus a premium of \$_____ and accrued interest to date of delivery, provided that the Bonds maturing as set forth below shall bear interest in the indicated multiple(s) of 1/8th or 1/100th of one per centum (1%), from their dated date until maturity at the respective rates per annum stated in the following table:

<u>Year</u>	<u>Rate</u>
2018	_____%
2019	_____%
2020	_____%
2021	_____%
2022	_____%

The following is our computation of the net interest cost, made as provided in the above mentioned Notice of Private Competitive Bond Sale, but not constituting any part of the foregoing proposal for the purchase of the \$874,493 Bonds therein described:

Gross Interest	\$_____
Less Premium Bid Over Par	\$_____
Net Interest Cost (NIC)	\$_____
Effective NIC Rate	_____% (Four decimals)

PROPOSAL CONTINUES ONTO NEXT PAGE

Please specify form of Bonds:

- ☐ Book-Entry-Only registered to Cede & Co.
- ☐ Registered in the Name of the Purchaser

Please check one of the following:

- ☐ We are purchasing the Bonds for our own account, and have no present intention to sell, reoffer or otherwise dispose of the Bonds.
- ☐ We are purchasing the Bonds for the purpose of reoffering all of them to the public, as defined in Schedule A to the Notice of Sale.

Signature: _____

Name of Bidder: _____

Financial Institution: _____

Address: _____

Telephone (Area Code): _____

Email Address: _____