

NOTICE OF BOND SALE
\$18,400,000
ORCHARD FARM R-V SCHOOL DISTRICT
(ST. CHARLES COUNTY, MISSOURI)
GENERAL OBLIGATION BONDS
(MISSOURI DIRECT DEPOSIT PROGRAM), SERIES 2018

Bids to be Accepted

Bids for the purchase of \$18,400,000 principal amount of General Obligation Bonds (Missouri Direct Deposit Program), Series 2018 (the “Bonds”), of the Orchard Farm R-V School District (the “District”), will be received by the Superintendent on behalf of the Board of Education at 3489 Boschertown Road, St. Charles, Missouri 63301 until 10:00 o’clock a.m., Central Time, on Tuesday,

June 19, 2018

All bids will be publicly read at said time and place and the award of the Bonds will be acted upon at a meeting of the Board of Education to be held at 7:00 o’clock p.m., Central Time, on said date.

Terms of Bonds

The Bonds will consist of fully-registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated as of the date of issuance, which is expected to be July 2, 2018 (and should be considered to be the dated date for purposes of the bid), and will mature serially in the amounts and on the dates as set forth below, subject to adjustment as described under the section “Adjustment of Principal”:

<u>Maturity</u> <u>March 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Maturity</u> <u>March 1</u>	<u>Principal</u> <u>Amount*</u>
2023	\$335,000	2031	\$ 695,000
2024	355,000	2032	725,000
2025	425,000	2033	740,000
2026	455,000	2034	765,000
2027	490,000	2035	2,715,000
2028	515,000	2036	2,810,000
2029	775,000	2037	2,910,000
2030	670,000	2038	3,020,000

The Bonds will bear interest from their date at the rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 (each to be a “Payment Date”), commencing on March 1, 2019.

Place of Payment

Interest on the Bonds will be payable to the holders of record at the close of business on the 15th day (whether or not a Business Day) of the calendar month preceding each Payment Date. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made by BOKF, N.A., St. Louis, Missouri, as paying agent and bond registrar (the “Paying Agent”) directly to such Bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC. Distribution of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described in the Preliminary Official Statement.

* Subject to Change

Authority and Security

The Bonds were authorized at an election held on April 3, 2018 by a vote of 1,091 in favor of to 163 against the issuance of bonds for the purpose of acquiring, constructing, renovating, repairing, improving, furnishing and equipping new and existing school sites, buildings and related facilities in the District, including expansion of the Early Learning Center and Orchard Farm Middle School, HVAC and bathroom renovations and land acquisition.

The Bonds are general obligations of the District, and the full faith, credit and resources of the District have been irrevocably pledged to the payment of the principal of and interest on the Bonds. The principal of and interest on the Bonds are payable from ad valorem taxes that may be levied without limitation as to rate or amount on all taxable, tangible property within the District.

Optional Redemption of Bonds

The Bonds maturing on and after March 1, 2027 are subject to redemption and payment prior to maturity, at the option of the District, on March 1, 2026, and thereafter, in whole or in part on any date at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date. When less than all outstanding Bonds are to be redeemed, such Bonds shall be redeemed in such order of maturity as shall be determined by the District, and Bonds of less than a full maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

In the event the District elects to exercise its option to redeem Bonds pursuant to the Bond Resolution, written notice shall be given by first class mail to the State Auditor of Missouri and to each registered owner of the Bonds to be redeemed at least 30 days but not more than 60 days prior to the redemption date.

Submission of Bids

Bids must be submitted via **PARITY**® in accordance with this Notice of Bond Sale, until 10:00 o'clock a.m. Central Time, on June 19, 2018. To the extent any instructions or directions set forth in **PARITY**® conflict with this Notice of Bond Sale, the terms of this Notice of Bond Sale shall control. Further information about the electronic bidding services of **PARITY**® may be obtained from Parity at (212) 849-5021.

Adjustment of Principal

A bidder may designate as term bonds any consecutive maturities of Bonds currently shown as serial bonds. Any bidder electing to designate term bonds shall specify the current serial bonds by year of maturity which are to comprise a term bond. The final year designated shall be deemed the year of maturity of the term bond. Term bonds shall be subject to mandatory sinking fund redemption by lot in the amounts specified for the serial bonds, at a redemption price of 100% of the principal amount thereof.

The District reserves the right, in its sole discretion on the date of sale, to increase or decrease the principal amount of each maturity of Bonds. The aggregate principal amount of the Bonds shall not exceed \$18,400,000.

If any changes are made to the principal amount of any maturity of Bonds the purchase price will be adjusted to result in the same dollar amount of profit per \$1,000 principal amount of bonds based on the certification of offering prices (see "Offering Yields and Certification as to Offering Prices" in this Notice of Bond Sale).

The principal amounts and maturity dates shown on the first page of this Notice of Bond Sale shall be used for purposes of computing the TIC (as hereinafter defined) used for awarding the Bonds.

Conditions of Bids

Proposals will be received on Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/100 of 1%. No interest rate shall exceed 4.0% per annum. No supplemental interest payments will be authorized. Bids must be for all of the Bonds at a purchase price of not less than 99.0% nor greater than 103.0% of the principal amount and the purchase price expressed as a dollar amount shall be included in each bid. Each bid shall specify the total interest cost (expressed in dollars) and the true interest cost (expressed as a rate) for the Bonds, which shall be considered as informative only and not binding on either the bidder or the District. Each bidder agrees that, if it is awarded the Bonds, it will provide the District a certificate regarding offering prices of the Bonds as described under the caption "Offering Yields and Certification as to Offering Prices" in this Notice of Bond Sale. By submitting a bid, each bidder represents that it has an established industry reputation for underwriting new issuances of municipal securities.

Good Faith Deposit

A good faith deposit ("Deposit") in the amount of \$368,000 shall be made by the bidder expected to be awarded the Bonds (the "Successful Bidder") by federal wire not later than 2:00 o'clock p.m. Central Time on June 19, 2018, according to wire transfer instructions provided by the District or its Municipal Advisor. In the event the Deposit is not received as provided above, the District may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. If a bid is accepted, the Deposit shall be held by the District until the Successful Bidder shall have complied with all of the terms and conditions of this Notice of Bond Sale, at which time the Deposit shall be deducted from the purchase price. If a bid is accepted but the District shall fail to deliver the Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice of Bond Sale, said Deposit shall be returned to the Successful Bidder. If a bid is accepted but the Successful Bidder defaults in the performance of any of the terms and conditions of this Notice of Bond Sale, the proceeds of Deposit shall be retained by the District as and for liquidated damages.

Award of the Bonds

If the Bonds are awarded, the award will be to the bidder whose bid will result in the lowest interest cost to the District determined in accordance with the true interest cost ("TIC") method of calculation by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments from the Payment Dates to the date of the Bonds to equal the purchase price bid. In the event that two or more bidders offer bids at the same lowest TIC, the District shall determine by lot which bidder shall be awarded the Bonds. Interest will be computed on a 360-day year basis.

The District reserves the right to waive irregularities and to reject any or all bids which could result in the rescheduling of the sale date or the sale of the Bonds through a negotiated process.

Delivery and Payment

The District will pay for printing the Bonds and will deliver the Bonds to DTC or the Paying Agent as DTC's agent properly prepared, executed and registered, without cost to the Successful Bidder within 30 days after the date of sale at such security depository, bank or trust company as may be specified by the Successful Bidder. The Successful Bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and customary closing documents, including a certificate that there is no litigation pending or threatened at the time

of delivery of the Bonds affecting their validity, and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be made in Federal Reserve funds, immediately available for use by the District.

CUSIP Numbers

CUSIP identification numbers will be assigned to the Bonds, but neither the failure to assign such number to any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Bond Sale. All expenses in relation to the assignment of CUSIP numbers will be paid by the District.

Ratings

S&P Global Ratings, a division of S&P Global Inc. (the "Rating Agency"), has assigned a municipal bond rating of "AA+" to the Bonds based upon the District's participation in the Missouri Direct Deposit Program and has assigned a municipal bond rating of "AA" to the Bonds based on the underlying credit of the District. The ratings are described in greater detail in the Preliminary Official Statement under the caption "RATINGS."

Legal Opinion

The Bonds will be sold subject to the legal opinion of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel, whose approving legal opinion will be furnished and paid for by the District, and delivered to the Successful Bidder when the Bonds are delivered. Said opinion will also include the opinion that interest on the Bonds is exempt from income taxation by the State of Missouri and is excludable from gross income of the owners thereof for federal income tax purposes. The opinion of Bond Counsel is described in greater detail in the Preliminary Official Statement under the caption "TAX MATTERS."

Offering Yields and Certification as to Offering Prices

At or before 11:00 o'clock a.m. Central Time on June 19, 2018, the Underwriter must provide to the District's Municipal Advisor at jhoward@wmfinancialstrategies.com and to the District at tmuzzey@ofsd.k12.mo.us the reasonably expected initial offering prices to the public of each maturity of the Bonds. In addition, to provide the District with information necessary for compliance with Section 148 of the Code, the Underwriter will be required to complete, execute and deliver to Bond Counsel prior to the date of issuance and delivery of the Bonds, a certificate regarding the "issue price" of the Bonds (as defined in Section 148 of the Code) as described below:

- (1) In the event the District receives 3 bids, the bidder offering the lowest TIC in conformance with the terms of this Notice of Bond Sale will be required to execute and deliver to Bond Counsel prior to the date of issuance and delivery of the Bonds, a certificate regarding the issue price in substantially the form attached hereto as Exhibit A.

or

- (2) In the event the District receives less than 3 bids, the bidder, offering the lowest TIC in conformance with the terms of this Notice of Bond Sale, shall be promptly notified by the Municipal Advisor of the number of bids received and the bidder shall have until 11:00 o'clock a.m. Central Time on June 19, 2018 to notify the Municipal Advisor of its option to (i) certify that at least 10% of each maturity of Bonds have been sold to the public at the reasonably expected initial offering prices provided to the Municipal Advisor by 11:00 o'clock a.m. Central Time, and/or (ii) agree that it will neither offer nor sell any Bonds of any maturity, to which option (i) does not apply, to any person at a price that is higher than

the initial offering price to the public during the period starting on June 19, 2018 and ending on the earlier of the 5th business day after June 19, 2018 or the date on which 10% of the Bonds of such maturity are sold to the public at a price that is no higher than the initial offering price to the public. The Underwriter will be required to execute and deliver to Bond Counsel prior to the date of issuance and delivery of the Bonds, a certificate regarding the issue price in substantially the form attached hereto as Exhibit B. Alternatively, the bidder may withdraw its bid at or prior to 11:00 o'clock a.m. Central Time.

Official Statement

The District has prepared a Preliminary Official Statement dated May 25, 2018 copies of which may be obtained from the undersigned or from the Municipal Advisor. The Preliminary Official Statement has been deemed final by the District as of its date, except for the omission of the information permitted to be omitted under Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The District agrees to deliver to the Successful Bidder, within seven (7) business days after the award of the Bonds, the final Official Statement in Portable Document Format (PDF).

Continuing Disclosure Undertaking

The District will agree in the Continuing Disclosure Undertaking to provide or cause to be provided, in accordance with the requirements of the Rule and as described in greater detail in the Preliminary Official Statement under the caption "CONTINUING DISCLOSURE UNDERTAKING" to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA") on or prior to January 1, 2019 and on or prior to January 1 of each year thereafter. (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year (ii) timely notice of the occurrence of certain events with respect to the Bonds, and (iii) timely notice of a failure by the District to provide the required annual financial information on or before the date specified in (i) above.

The Successful Bidder's obligation to purchase the Bonds shall be conditioned upon it receiving, at or prior to the delivery of the Bonds, the Continuing Disclosure Undertaking evidencing that the District has made the continuing disclosure undertaking set forth above for the benefit of the holders of the Bonds.

Additional Information

Additional information regarding the Bonds may be obtained from the undersigned at (314) 432-5570 or from Ms. Joy A. Howard, WM Financial Strategies, 11710 Administration Drive, Suite 7, St. Louis, Missouri 63146, (314) 423-2122.

Dated May 15, 2018.

ORCHARD FARM R-V SCHOOL DISTRICT

By: /S/ Dr. Thomas Muzzey, Superintendent

EXHIBIT A

UNDERWRITER'S RECEIPT FOR BONDS AND CLOSING CERTIFICATE (Competitive Bidding Requirements Met)

\$ _____
Orchard Farm R-V School District
General Obligation Bonds
(Missouri Direct Deposit Program)
Series 2018

The undersigned, on behalf of [_____] (the "Original Purchaser"), as the original purchaser and underwriter of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by Orchard Farm R-V School District (the "Issuer"), certifies and represents as follows:

1. Receipt for Bonds. The Original Purchaser acknowledges receipt on the date hereof of all of the Bonds, consisting of fully-registered Bonds in authorized denominations in a form acceptable to the Original Purchaser.

2. Issue Price.

(a) *Public Offering.* The Original Purchaser offered all of the Bonds to the Public in a bona fide initial offering.

(b) *Reasonably Expected Initial Offering Prices.* As of the sale date of the Bonds (June 19, 2018), the reasonably expected initial offering prices of the Bonds to the Public by the Original Purchaser are the prices listed in **Attachment A** (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Original Purchaser in formulating its bid to purchase the Bonds.

(c) *Defined Terms.*

(i) The term "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.

(ii) The term "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" is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly.

(iii) The term "Underwriter" means (A) any person that agrees pursuant to a written contract with 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 (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) 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 Original Purchaser'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 certifications contained herein will be relied upon by the Issuer in executing and delivering the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, by WM Financial Strategies, Municipal Advisor to the Issuer in executing the Certificate of Municipal Advisor relating to the Bonds, and by Gilmore & Bell, P.C., Bond Counsel, in rendering its opinion relating to the exclusion from federal gross income of the interest on the Bonds and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: _____, 2018

[ORIGINAL PURCHASER]

By: _____
Title: _____

Schedule A
Initial Offering Prices
[Attach Pricing Information]

EXHIBIT B

UNDERWRITER'S RECEIPT FOR BONDS AND CLOSING CERTIFICATE (Competitive Bidding Requirements Not Met)

\$ _____
Orchard Farm R-V School District
General Obligation Bonds
(Missouri Direct Deposit Program)
Series 2018

The undersigned, on behalf of [_____] (the "Original Purchaser"), as the original purchaser and underwriter of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by Orchard Farm R-V School District (the "Issuer"), certifies and represents as follows:

1. Receipt for Bonds. The Original Purchaser acknowledges receipt on the date hereof of all the Bonds, consisting of fully-registered Bonds in authorized denominations in a form acceptable to the Original Purchaser.

2. Defined Terms.

- (a) "Effective Time" means 11:00 a.m. on the Sale Date.
- (b) "Holding Period" means with respect to each Undersold Maturity the period beginning 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 and time at which the Original Purchaser has sold at least 10% of that Undersold Maturity of the Bonds to the Public at one or more prices that are no higher than the Initial Offering Price.
- (c) "Initial Offering Price" means the price listed on **Schedule A** for each Maturity.
- (d) "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.
- (e) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriting Firm or a related party to an Underwriting Firm. An Underwriting Firm and a person are related if it and the person are subject, directly or indirectly, to (i) at least 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).
- (g) "Sale Date" means June 19, 2018.
- (h) "Undersold Maturity" or "Undersold Maturities" means any Maturity for which less than 10% of the principal amount of Bonds of that Maturity were sold as of the Effective Time.
- (i) "Underwriting Firm" means (i) any person that agrees pursuant to a written contract with 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 definition 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).

3. Issue Price. The Original Purchaser represents as follows:

(a) Attached as **Schedule A** is a copy of the pricing wire or similar communication used to communicate the Initial Offering Price of each Maturity to the Public.

(b) As of the Effective Time all the Bonds were the subject of an initial offering to the Public.

(c) As of the Effective Time none of the Bonds were sold to any person at a price higher than the Initial Offering Price for that Maturity.

(d) [*As of the Effective Time there were no Undersold Maturities.][*For any Undersold Maturity, during the Holding Period each Underwriting Firm did not offer nor sell Bonds of the Undersold Maturity to the Public at a price that is higher than the respective Initial Offering Price for that Undersold Maturity.

(e) Any separate agreement among any Underwriting Firm related to the sale of an Undersold Maturity during the Holding Period contained the agreement referenced in (d) above.*]

The representations set forth in this certificate are limited to factual matters only. Nothing in this Certificate represents the Original Purchaser'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 certifications contained herein will be relied upon by the Issuer in executing and delivering the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Gilmore & Bell, P.C., Bond Counsel, in rendering its opinion relating to the exclusion from federal gross income of the interest on the Bonds and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: _____, 2018

[ORIGINAL PURCHASER]

By: _____
Title: _____

Schedule A
Sale Prices and Initial Offering Prices
[Attach pricing wire or other offering price documentation]