

OFFICIAL NOTICE OF SALE

\$9,500,000*

**VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, California)
General Obligation Bonds, 2012 Election, Series 2019D**

NOTICE IS HEREBY GIVEN that electronic and sealed bids will be received on behalf of the Board of Education of the Val Verde Unified School District, County of Riverside, California (the "District"), for the purchase of \$9,500,000* aggregate principal amount of Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2019D (the "Series 2019D Bonds"), on

**Wednesday, January 16, 2019
at 9:00 A.M.**

California time, at the offices of the Municipal Advisor to the District with respect to the Series 2019D Bonds, Fieldman, Rolapp & Associates, Inc., 19900 MacArthur Boulevard, Suite 1100, Irvine, CA 92612 (telephone (949) 660-7314, Attn: Jason Chung).

The District reserves the right to cancel or reschedule the sale of the Series 2019D Bonds or alter the terms thereof upon notice given through Thomson Municipal News (the "News Service") on its website at <http://www.tm3.com> at any time prior to the time bids are then-scheduled to be received. If the sale is rescheduled, bids will be received at the place set forth above, at a date and time to be determined, and notice of the new sale date, time and terms, if any, will be given through the News Service as soon as practicable. As an accommodation to bidders, telephone or fax notice of the change and of the new sale date and time will be given to any bidder requesting such notice from the District's Municipal Advisor, Fieldman, Rolapp & Associates, Inc., (19900 MacArthur Boulevard, Suite 1100, Irvine, CA 92612 (telephone (949) 660-7314), Attn: Jason Chung). Failure of any bidder to receive such supplementary notice shall not affect the legality of the sale.

TERMS OF THE SERIES 2019D BONDS

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

Issue: The terms of issuance, principal and interest repayment, optional redemption, mandatory redemption, security, tax opinion, and all other information regarding the Series 2019D Bonds and the District are given in the Preliminary Official Statement, dated January 4, 2019, relating to the Series 2019D Bonds (the "Preliminary Official Statement") which each bidder must

* Approximate; subject to adjustment.

have obtained and reviewed prior to bidding for the Series 2019D Bonds. This notice governs only the terms of sale, bidding and closing procedures.

Maturities: The Series 2019D Bonds will mature on August 1 in each of the years, and in the approximate amounts, in accordance with the following schedule.

<u>Maturity Date (August 1)</u>	<u>Principal Amount*</u>	<u>Maturity Date (August 1)</u>	<u>Principal Amount*</u>
2020	\$ 35,000	2034	\$ 325,000
2021	20,000	2035	360,000
2022	15,000	2036	400,000
2023	25,000	2037	440,000
2024	45,000	2038	485,000
2025	60,000	2039	535,000
2026	80,000	2040	585,000
2027	100,000	2041	640,000
2028	125,000	2042	695,000
2029	155,000	2043	760,000
2030	180,000	2044	820,000
2031	210,000	2045	885,000
2032	240,000	2046	1,000,000
2033	280,000		

Serial Series 2019D Bonds and/or Term Series 2019D Bonds: The Series 2019D Bonds shall be issued as serial maturities as shown in the table above, unless the bidder requests the creation of one or more term Series 2019D Bonds by combining any two or more consecutive serial maturities of the Series 2019D Bonds. For any term Series 2019D Bond, the amount of principal paid in each year as the mandatory sinking fund payment shall be the amount shown above as maturing in such year. No term Series 2019D Bond shall have a mandatory sinking fund payment prior to August 1, 2030.

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

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

- (i) Each interest rate must be greater than zero and no interest rate may exceed 8.0% per annum.

* Approximate, subject to adjustment

- (ii) No interest rate specified is more than six percentage points higher than any other interest rate.
- (iii) Each interest rate must be a multiple of 1/8 or 1/20 of 1% per annum.

Adjustment of Principal Amounts: The principal amounts of each maturity of Series 2019D Bonds set forth above in the table entitled “Maturities,” reflect certain estimates of the District and its Municipal Advisor with respect to the likely interest rates of the winning bids and the premium contained in the winning bid. Following the determination of the successful bidders, the District, in order to structure for tax rate considerations, reserves the right to increase or decrease the principal amount of each maturity of the Series 2019D Bonds, in \$5,000 increments, and/or eliminate a maturity of the Series 2019D Bonds and increase or decrease the aggregate principal amount of the Series 2019D Bonds to be issued; provided, however, that the total adjustments to the aggregate principal amount of the Series 2019D Bonds shall not exceed \$500,000. The successful bidders will be notified of the actual principal amounts and maturity schedule relating to the Series 2019D Bonds within 26 hours of the bid opening. The aggregate price bid by the successful bidders will be adjusted by the District proportionate to any increase or decrease in the aggregate principal amount of the Series 2019D Bonds and without consideration for the reoffering price by the successful bidders to the public of any individual maturity of the Series 2019D Bonds. No such adjustments will alter the basis upon which the best bid is determined. **THE SUCCESSFUL BIDDERS MAY NOT WITHDRAW THEIR BIDS OR CHANGE THE INTEREST RATES BID OR ANY INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE STATED PRINCIPAL AMOUNTS.**

TERMS OF SALE

Best Bid: The Series 2019D Bonds will be awarded to the responsible bidder submitting the best responsive bid, considering the interest rate or rates specified and the premium offered (which premium shall be no less than 102.5 percent (102.5%) and no greater than 110 percent (110%) of the par value of the Series 2019D Bonds), if any. The best bid will be the bid which represents the lowest true interest cost (“TIC”) to the District. The TIC is the discount rate which, when compounded semiannually and used to discount all debt service payments on the Series 2019D Bonds back to the date of such Series 2019D Bonds, results in an amount equal to the price bid for the Series 2019D Bonds. In the event that two or more bidders offer bids for the Series 2019D Bonds at the same lowest TIC, the District will determine by lottery which bidder will be awarded the Series 2019D Bonds. For the purpose of calculating the TIC, the mandatory sinking fund payments, if any (see “TERMS OF THE SERIES 2019D BONDS—Serial Series 2019D Bonds and/or Term Series 2019D Bonds” above), shall be treated as serial maturities in such years. The determination of the bid representing the lowest TIC will be made without regard to any adjustments made or contemplated to be made after the award by the Superintendent of the District (the “Superintendent”), as described herein under “TERMS OF THE SERIES 2019D BONDS—Adjustment of Principal Amounts,” even if such adjustments have the effect of raising the TIC of the successful bid to a level higher than the bid containing the next lowest TIC prior to adjustment.

Form of Bid: Each bid must be for not less than all of the Series 2019D Bonds hereby offered for sale. Bids for the Series 2019D Bonds must be for not less than the par value thereof plus such premium (which premium shall be no less than 102.5 percent (102.5%) and no greater

than 110 percent (110%) of the par value of the Series 2019D Bonds) as is specified in the bid. No bid will be accepted which contemplates the waiver of any interest or other concession by the bidder as a substitute for payment in full of the purchase price. **Each bid must be in accordance with, and shall be deemed to incorporate, all of the terms and conditions set forth in this Official Notice of Sale. Bids may (but, except as provided below, need not) be submitted on the bid form provided.**

Bids for the Series 2019D Bonds may be delivered by hand or by electronic transmission via the BiDCOMP/Parity bid delivery system.

Hand Delivery: Bids delivered by hand must be on the official bid form attached hereto, signed by the bidder, and enclosed in a sealed envelope addressed to the Superintendent, Val Verde Unified School District, c/o Fieldman, Rolapp & Associates, Inc., the Municipal Advisor to the District at the address given on Page 1 of this Official Notice of Sale, and clearly marked "Proposal for Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2019D" (or words of similar import). If the sale of the Series 2019D Bonds is canceled or postponed, all sealed bids shall be returned unopened.

Electronic Transmission: Solely as an accommodation to bidders, the District will accept bids for the Series 2019D Bonds in electronic form exclusively through the BiDCOMP/Parity bid delivery system. Each bidder submitting an electronic bid understands and agrees by doing so that it is solely responsible for all arrangements with Parity, that the District neither endorses nor encourages the use of Parity, and that Parity is not acting as an agent of the District. Instructions and forms for submitting electronic bids must be obtained from Parity. Bidders may contact Parity directly at (212) 404-8102 or at the Parity website: <http://munis.ipreo.com>.

WARNINGS: The District assumes no responsibility for ensuring or verifying bidder compliance with Parity's procedures. The District shall be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder. The District, the Municipal Advisor and Bond Counsel assume no responsibility for any malfunction of the BiDCOMP/Parity bid delivery system, any failure of a bid to be received at the official time, or any error contained in any bid submitted electronically. The official time for receipt of bids will be determined by the District at the place of bid opening, and the District shall not be required to accept the time kept by Parity as the official time. In the event of a malfunction of the Parity system, bidders should submit their bids by hand delivery on the official bid form attached hereto.

THE DISTRICT RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID, WHETHER DELIVERED BY HAND OR ELECTRONIC TRANSMISSION, IS TIMELY, LEGIBLE AND COMPLETE.

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

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

Good Faith Deposit: Upon acceptance of its bid, the winning bidder shall be required to deliver a good faith deposit (the “Good Faith Deposit”) in the amount of \$100,000 payable to the order of the Treasurer-Tax Collector of the County of Riverside (the “County”) by wire transfer of immediately available funds, to secure the District from any loss resulting from the failure of the winning bidder to comply with the terms of its bid. Wiring instructions shall be provided to the winning bidder upon notification of the award. The Good Faith Deposit must be made by the winning bidder within 24 hours of notification of the award.

No interest will be paid upon the Good Faith Deposit made by the winning bidder. The Good Faith Deposit of the winning bidder will, immediately upon receipt, become the property of the District to be held and invested for the exclusive benefit of the District. The principal amount of such Good Faith Deposit shall be applied to the purchase price of the Series 2019D Bonds at the time of delivery thereof.

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

Bond Insurance at Bidder’s Option: Bids will be accepted which are based upon the issuance of a municipal bond insurance policy for some or all of the Series 2019D Bonds, provided that payment of any insurance premium and any additional fees charged by any rating agency for rating insured Series 2019D Bonds shall be the sole responsibility of the bidder. The District has received an “A+” rating from S&P Global Ratings on the Series 2019D Bonds and will be responsible for the rating fee incurred only in connection with the rating.

Bids shall not be conditioned upon the issuance of a municipal bond insurance policy. Subject to the limitations described below, the District will cooperate in any effort to qualify the Series 2019D Bonds for such bond insurance. The District makes no representation as to whether the Series 2019D Bonds will qualify for municipal bond insurance, and satisfaction of any conditions to the issuance of a municipal bond insurance policy shall be the sole responsibility of the bidder. In particular, the District will neither amend nor supplement the resolution authorizing the issuance of the Series 2019D Bonds in any way nor will it agree in advance of the sale of the Series 2019D Bonds to enter into any additional agreements with respect to the provision of any such policy. FAILURE OF THE INSURANCE PROVIDER TO ISSUE ITS POLICY SHALL NOT CONSTITUTE CAUSE FOR A FAILURE OR REFUSAL BY THE SUCCESSFUL BIDDER TO ACCEPT DELIVERY OF OR PAY FOR THE BONDS. IN THE EVENT OF SUCH FAILURE, THE DISTRICT SHALL AMEND THE OFFICIAL STATEMENT AND THE COST OF PRINTING AND MAILING SUCH SUPPLEMENT SHALL BE BORNE BY THE SUCCESSFUL BIDDER ALONE. The successful bidder must provide the District with the municipal bond insurance commitment and information with respect to the municipal bond

insurance policy and the insurance provider for inclusion in the final Official Statement within two (2) business days following the award of the bid. The District will require a certificate from the insurance provider substantially in the form attached hereto as Exhibit A on or prior to the date of delivery of the Series 2019D Bonds, as well as an opinion of counsel to the insurance provider regarding the enforceability of the municipal bond insurance policy, in form reasonably satisfactory to Bond Counsel and the successful bidder.

Right of Rejection: The District reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

Prompt Award: The Superintendent will take action awarding the Series 2019D Bonds or rejecting bids not later than twenty-six (26) hours after the expiration of the time herein prescribed for the receipt of the bids, unless such time of award is waived by the successful bidder or bidders. Notice of the award will be given promptly to the successful bidder or bidders.

CLOSING PROCEDURES AND DOCUMENTS

Delivery and Payment: Delivery of the Series 2019D Bonds through the facilities of DTC will be made to each successful bidder in New York, New York, as soon as the Series 2019D Bonds can be prepared, which it is estimated will be on or about January 30, 2019. Payment for the Series 2019D Bonds must be made in funds immediately available in Riverside County, California, on the date of delivery. Any expense of providing immediately available funds, whether by transfer of Federal Reserve Bank funds or otherwise, shall be borne by the successful bidder or bidders. The cost of printing the Series 2019D Bonds will be borne by the District.

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

CUSIP Numbers and Other Fees: It is expected that the Municipal Advisor will apply for CUSIP identification numbers for the Series 2019D Bonds, and furnish such numbers to the successful bidder and Bond Counsel. It is anticipated that such CUSIP numbers will be printed on the Series 2019D Bonds being delivered to DTC, 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 any successful bidder to accept delivery of and pay for the Series 2019D Bonds in accordance with the terms and conditions of its bid. All expenses in relation to the printing of CUSIP numbers on the Series 2019D Bonds shall be paid by the District, but the CUSIP Service Bureau charge for the assignment of such numbers shall be paid by the successful bidder or bidders. The successful bidder or bidders shall also be required to pay all fees required by The Depository Trust Company, New York, New York, the Public Securities Association, the Municipal Securities Rulemaking Board and any other similar entity imposing a fee in connection with the issuance of the Series 2019D Bonds.

California Debt and Investment Advisory Commission Fee: Attention of bidders is directed to California Government Code Section 8856, which provides that the lead underwriter

or the purchaser of the Series 2019D Bonds shall be charged any California Debt and Investment Advisory Commission fee payable with respect to the Series 2019D Bonds.

Establishment of Issue Price:

(a) The winning bidder shall assist the District in establishing the issue price of the Series 2019D Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public of the Series 2019D Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond Counsel. All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Series 2019D Bonds may be taken on behalf of the District by the District’s Municipal Advisor identified herein and any notice or report to be provided to the District may be provided to the District’s Municipal Advisor.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2019D Bonds) will apply to the initial sale of the Series 2019D Bonds (the “competitive sale requirements”) because:

- (1) the District shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the District anticipates awarding the sale of the Series 2019D Bonds to the bidder who submits a firm offer to purchase the Series 2019D Bonds at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2019D Bonds, as specified in the bid.

IN THE EVENT THAT THE COMPETITIVE SALE REQUIREMENTS ARE NOT SATISFIED, THE DISTRICT WILL REJECT ALL BIDS AND CANCEL THE SALE.

BIDDERS SHOULD PREPARE THEIR BIDS ON THE ASSUMPTION THAT THE ISSUE PRICE OF THE SERIES 2019D BONDS WILL BE THE REASONABLY EXPECTED INITIAL OFFERING PRICE TO THE PUBLIC.

Litigation: There is no litigation pending concerning the validity of the Series 2019D Bonds, the corporate existence of the District or the entitlement to their respective offices of the

officers of the District who will execute the Series 2019D Bonds and other documents or certificates, or the power of the County to levy and collect taxes on behalf of the District for payment of, and to pay interest and principal on, the Series 2019D Bonds, and the District will furnish to the successful bidder or bidders a no-litigation certificate or certificates certifying the foregoing as of and at the time of the delivery of the Series 2019D Bonds.

Closing Documents and Legal Opinion: Each bid will be understood to be conditioned upon the District furnishing to the winning bidder, without charge, concurrently with payment for and delivery of the Series 2019D Bonds, the following closing documents, each dated the date of such delivery:

(a) The opinion of Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the District, approving the validity of the Series 2019D Bonds and stating that based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2019D Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes, and that interest on the Series 2019D Bonds is not a specific preference item for purposes of the federal alternative minimum tax, in substantially the form set forth in Appendix D to the Official Statement;

(b) The letter of Jones Hall, A Professional Law Corporation, Disclosure Counsel, observing that, as of the closing date, no facts came to the attention of the attorneys of Disclosure Counsel's firm rendering legal services in connection with the issuance of the Series 2019D Bonds that would cause Disclosure Counsel to believe that the Official Statement as of its date and as of the closing (excluding therefrom CUSIP numbers, financial, accounting, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, the insurer or the municipal bond insurance policy issued by the insurer for the Series 2019D Bonds, if such policy is applied for by the winning bidder, any statements about compliance with prior continuing disclosure undertakings, or any information about The Depository Trust Company or its book-entry system, litigation, ratings, rating agencies, the winning bidder, underwriting, and Appendices B, D, E, F and G to the Official Statement, as to all of which no opinion will be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;

(c) Tax certificate of the District concerning facts, estimates and circumstances in existence on the date of issue and various other matters relating to the exclusion of interest on the Series 2019D Bonds under the Code;

(d) A certificate of the District that as of the date of the Official Statement pertaining to the Series 2019D Bonds and at all times subsequent thereto up to and including the time of delivery of the Series 2019D Bonds to the initial purchasers thereof such Official Statement together with any amendments thereto did not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(e) A receipt of the District or the County, on behalf of the District, showing that the purchase price of the Series 2019D Bonds, has been received by the District; and

(f) A Continuing Disclosure Certificate of the District, described under the caption “Continuing Disclosure” below.

Official Statement: The Preliminary Official Statement is in a form deemed final by the District within the meaning of the SEC Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”) although subject to revision, amendment and completion in conformity with such Rule. The District will make available to the winning bidder no later than seven business days after the day of sale of the Series 2019D Bonds electronic copies of the final Official Statement.

The Preliminary Official Statement is expected to be available on the Internet at <http://www.bondbuyer.com/news/coff/index.html>, <http://bloomberg.net>, <https://www.tm3.com/worksheets/pmBBNoticesofSale.jsf> and at Parity’s website on or after January 4, 2019. Bidders will be required to confirm their consent to delivery of the Preliminary Official Statement in electronic form and their review of a complete copy of the Preliminary Official Statement, as a condition to the acceptance of their bid by the District. The Internet posting of the Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the securities described in the Preliminary Official Statement, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. To obtain an electronic copy of the Preliminary Official Statement, please contact the District’s Municipal Advisor, as set forth on Page 1 of this Official Notice of Sale.

The District undertakes that for a period of twenty-five (25) days following the end of the “underwriting period” as defined in the Rule it will (i) apprise the winning bidder of all material developments, if any, occurring with respect to the Series 2019D Bonds after delivery of the Series 2019D Bonds and (ii) if requested by the winning bidder, prepare a supplement to the final Official Statement with respect to any such material event. The District will presume that, unless notified in writing by the winning bidder, the end of the underwriting period will occur on the date of the delivery of the Series 2019D Bonds. By making a bid on the Series 2019D Bonds, the winning bidder agrees (i) to disseminate to all members of the underwriting syndicate, if any, the final Official Statement, including any supplements prepared by the District, and to file a copy of the final Official Statement with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system (as provided by the Rule) and (ii) to take any and all other actions necessary to comply with the applicable rules of the Securities and Exchange Commission and rules governing the offering, sale and delivery of the Series 2019D Bonds to all purchasers, including the requirement of delivery of the final Official Statement.

Continuing Disclosure Certificate: In order to assist bidders in complying with the Rule, the District will undertake, pursuant to a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Dated: January 4, 2019

/s/ Michael R. McCormick
Superintendent,
Val Verde Unified School District

EXHIBIT A

CERTIFICATE OF BOND INSURER

The undersigned, the duly authorized and acting _____ of _____ (the “Bond Insurer”), hereby certifies on behalf of the Bond Insurer as follows:

1. The statements contained in the Official Statement dated _____, 2019 (the “Official Statement”), relating to the Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2019D (the “Series 2019D Bonds”) provided by the Bond Insurer for use under the captions _____, and _____, in Appendix __ thereto, and on the cover page thereof, which statements constitute descriptions or summaries of the Bond Insurer or municipal bond insurance policy (the “Policy”) of the Bond Insurer covering the Series 2019D Bonds, accurately reflect and fairly present the information set forth therein, and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading; and

2. The form of Policy set forth in Appendix __ of the Official Statement is a true and complete copy of the Policy except for the omission therefrom of particulars relating to the Series 2019D Bonds.

[NAME OF BOND INSURER]

By: _____
Title:

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of _____ (the “Underwriter”), hereby certifies as set forth below with respect to the sale of the Val Verde Unified School District (Riverside County, California) General Obligation Bonds, 2012 Election, Series 2019D (the “Bonds”).

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Underwriter are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturity of the Bonds used by the Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Underwriter to purchase the Bonds.

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

(c) The bid submitted by the Underwriter constituted a firm offer to purchase the Bonds.

2. Defined Terms.

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January 16, 2019.

(d) “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 with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, as Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for

federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

Dated: _____, 2019

[UNDERWRITER]

By: _____
Authorized Representative

OFFICIAL BID FORM

BIDDING FIRM'S NAME:

Authorized Signatory:

January 16, 2019

(signature)

Superintendent
 Val Verde Unified School District
 975 West Morgan Street
 Perris, California 92571

Re: \$9,500,000*
VAL VERDE UNIFIED SCHOOL DISTRICT
(Riverside County, State of California)
General Obligation Bonds, 2012 Election, Series 2019D

By the authorized signature above, we hereby submit this bid (consisting of the Premium (which premium shall be no less than 102.5 percent (102.5%) and no greater than 110 percent (110%) of the par value of the Series 2019D Bonds), Purchase Price, and Interest Rates entered below) for the above-described Series 2019D Bonds in accordance with the Official Notice of Sale relating thereto dated January 4, 2019, which Notice together with all representations and agreements on Page 2 hereof are hereby made part of this bid:

Par Value: \$ _____ + **Premium:** \$ _____ ** = **Purchase Price:** \$ _____

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Check</u> <u>if Term</u> <u>Bonds ***</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Check</u> <u>if Term</u> <u>Bonds ***</u>	<u>Interest</u> <u>Rate</u>
2020	\$ 35,000			2034	\$ 325,000		
2021	20,000			2035	360,000		
2022	15,000			2036	400,000		
2023	25,000			2037	440,000		
2024	45,000			2038	485,000		
2025	60,000			2039	535,000		
2026	80,000			2040	585,000		
2027	100,000			2041	640,000		
2028	125,000			2042	695,000		
2029	155,000			2043	760,000		
2030	180,000			2044	820,000		
2031	210,000			2045	885,000		
2032	240,000			2046	1,000,000		
2033	280,000						

* Preliminary; subject to adjustment pursuant to Official Notice of Sale.

** No less than 102.5 percent (102.5%) and no greater than 110 percent (110%) of the par value of the Series 2019D Bonds.

*** **Please!** Clearly indicate each Term Bond so that Serial Maturities of the same coupon rate are distinguished from Serial Maturities comprising a single Term Bond. E.g., circle maturity, or indicate beginning and end of each Term Bond. No term bond shall have a mandatory sinking fund payment prior to August 1, 2030.

Interest Rate Restrictions: No interest rate specified is more than six percentage points higher than any other interest rate. Each interest rate bid is a multiple of 1/8 or 1/20 of 1% per annum. Each interest rate must be greater than zero and no interest rate may exceed 8.0% per annum.

By execution on the first page of this bid by an authorized officer, we hereby agree and represent as follows:

(1) We agree that, if awarded the Series 2019D Bonds, we will wire to the order of the Treasurer-Tax Collector of the County of Riverside, the Good Faith Deposit in the amount of \$100,000 in immediately available funds, upon notice of the award and receipt of wire instructions. We understand that no interest will be paid on such deposit.

(2) We have received and reviewed the Preliminary Official Statement with respect to the Series 2019D Bonds (the "Preliminary Official Statement") and as a condition to bidding on the Series 2019D Bonds, have determined that we can comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

(3) As of the date of award and as of the date of delivery of the Series 2019D Bonds, all members of our syndicate either participate in DTC or clear through or maintain a custodial relationship with an entity that participates in said depository.

(4) Our computation of the True Interest Cost (TIC) to the District under the foregoing proposal, made as provided in the Official Notice of Sale, is _____%. Our computation of the gross interest cost to the District (net of any premium bid) under the foregoing proposal is \$_____. These estimates are for informational purposes only and not binding on the District or on the undersigned.

(5) We represent that we have an established industry reputation for underwriting new issuances of municipal bonds.

(6) We represent that we have full and complete authority to submit this bid on behalf of our bidding syndicate and that the undersigned will serve as the lead manager for the group if the Series 2019D Bonds are awarded pursuant to this bid. I certify (or declare) under penalty of perjury under the laws of the State of California that this proposal is genuine, and not a sham or collusion, nor made in the interest of or on behalf of any person not herein named, and that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid or any other person, firm or corporation to refrain from bidding, and that the bidder has not in any manner sought by collusion to secure for himself an advantage over any other bidder.

We hereby request that _____ (not to exceed _____) printed copies of the Official Statement with respect to the Series 2019D Bonds be furnished to us in accordance with the terms of the Official Notice of Sale.

Very truly yours,

Company

By: [executed on first page of bid form]
Authorized Representative

Title

Phone: _____

Fax: _____

Following is a list of the members of our account on whose behalf this bid is made.

Bidder's representative to be contacted
regarding closing procedures:

Name: _____

Phone: _____

Fax: _____

Receipt of Return of Bidder's unaccepted
Good Faith Check Hereby Acknowledged:

By: _____
Authorized Representative