

OFFICIAL NOTICE OF SALE

\$13,285,000\*

City of Evanston, Cook County, Illinois  
General Obligation Corporate Purpose Bonds, Series 2019A  
Dated the Date of Delivery

Date, Time and Place. IRREVOCABLE ELECTRONIC BIDS will be received by PFM Financial Advisors LLC, 190 S. LaSalle St., Suite 2000, Chicago, Illinois 60603, financial advisor acting on behalf of the City of Evanston, Cook County, Illinois (the "City"), for all but not part of the City's \$13,285,000\* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds"), until 10:15 a.m. (Central Time) on:

May 16, 2019

at which time electronic bids will be retrieved and all bids publicly read. Electronic bids must be submitted through Parity®.

Term of the Bonds. The Bonds will be dated their date of delivery, and will mature December 1 in the years and amounts as follows:

MATURITY SCHEDULE

| <u>Year</u> | <u>Amount*</u> |
|-------------|----------------|
| 2022        | \$ 345,000     |
| 2023        | 365,000        |
| 2024        | 380,000        |
| 2025        | 400,000        |
| 2026        | 420,000        |
| 2027        | 440,000        |
| 2028        | 465,000        |
| 2029        | 485,000        |
| 2030        | 510,000        |
| 2031        | 535,000        |
| 2032        | 560,000        |
| 2033        | 590,000        |
| 2034        | 620,000        |
| 2035        | 650,000        |
| 2036        | 685,000        |
| 2037        | 715,000        |
| 2038        | 755,000        |
| 2039        | 790,000        |
| 2040        | 830,000        |
| 2041        | 870,000        |
| 2042        | 915,000        |
| 2043        | 960,000        |

Interest on said Bonds will be payable semi-annually on June 1 and December 1, commencing December 1, 2019.

Adjustments to Principal Amounts After Determination of Best Proposal. The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. Such adjustments shall be the sole discretion of the City provided that the City or its designee shall only make such adjustments in order to size the Bonds to provide enough funds to effect the project funds, or to establish a debt service structure that is acceptable to the City. If the issue size is adjusted, the purchase price

---

\*Preliminary, subject to change.

will be adjusted to ensure that the percentage net compensation (i.e. the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the City (excluding accrued interest), less any bond insurance premium paid by the successful bidder, by (ii) the principal amount of the Bonds) remains constant.

Term Bond Option. Proposals for the Bonds may contain a maturity schedule providing for a combination of serial and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

Call Feature. The Bonds maturing on December 1, 2030, and thereafter are subject to redemption prior to maturity at the option of the City on December 1, 2029, and any date thereafter, in whole or in part and if in part in such principal amounts and from such maturities as the City shall determine and within any maturity by lot at a redemption price of par plus accrued interest to the date fixed for redemption.

Registration. The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). The City will assume no liability for failure of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds. In the event that the securities depository relationship with DTC for the Bonds is terminated and the City does not appoint a successor depository, the City will prepare, authenticate and deliver, at its expense, fully registered certificated Bonds in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of Bonds of the same maturities and with the same interest rate or rates then outstanding to the beneficial owners of the Bonds.

Security and Purpose. The Bonds are general obligations of the City. The principal of and interest on the Bonds will be payable from ad valorem taxes, which shall be levied without limitation as to rate or amount upon all taxable property located in the territory of the City. The Bonds are being issued for the purpose of (i) paying a portion of the cost of the construction and equipment of a new Robert Crown Community Center, Ice Complex, and Library Center; (ii) paying capitalized interest on the Bonds through December 1, 2019; and (iii) paying costs related to the issuance of the Bonds.

Not Bank Qualified. The Bonds will not be designated “qualified tax-exempt obligations” pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Bid Specifications. Bids shall be received on an interest rate basis in an integral multiple of One-Twentieth (1/20) or One-Eighth (1/8) of One Percent (1%). All Bonds of the same maturity shall bear the same interest rate. A rate of interest must be named for each maturity; a zero rate of interest shall not be named; and the premium, if any, must be paid in cash as part of the purchase price. The minimum rate of interest is 5.0% on the December 1, 2030 maturity and later. The maximum rate of interest is 7.0% on all maturities. No supplemental interest shall be specified. Each bid shall offer to purchase all of the Bonds and shall offer a price (payable in federal or other immediately available funds) which is not less than \$13,152,150\* (99.0% of par), plus accrued interest to the date of delivery.

Good Faith Deposit. A good faith deposit in the amount of ONE HUNDRED THIRTY TWO THOUSAND EIGHT HUNDRED FIFTY DOLLARS\* (\$132,850\*) is only required by the successful bidder for the Bonds. The successful bidder for the Bonds is required to submit such Good Faith Deposit payable to the order of the City in the form of a wire transfer in federal funds. Instructions for wiring the Good Faith Deposit are as follows:

|                |                                  |
|----------------|----------------------------------|
| Destination:   | Byline Bank (Evanston, Illinois) |
| ABA #:         | 071925538                        |
| For credit to: | City of Evanston, Illinois       |
| Account #:     | 0754460515                       |
| Account Name:  | Robert Crown Fund                |

---

\*Preliminary, subject to change.

The successful bidder shall submit the Good Faith Deposit within two hours after verbal award is made. The successful bidder should provide as quickly as it is available, evidence of wire transfer by providing the City the federal funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the successful bidder may be rejected and the City may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Bonds to the same. If the successful bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is nonetheless obligated to pay to the City the sum of \$132,850\* as liquidated damages due to the failure of the successful bidder to timely deposit the Good Faith Deposit.

**Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.**

The Good Faith Deposit so wired will be retained by the City until the delivery of the Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Bonds or the good faith deposit will be retained by the City as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Bonds in compliance with the terms of the Official Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the City. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the Bonds.

Insurance on Bonds. In the event the successful bidder obtains a bond insurance policy for all or a portion of the Bonds, by or on behalf of it or any other member of its underwriting group, the successful bidder is responsible for making sure that disclosure information is provided about the credit enhancement provider (for example, through a wrapper sure to the Official Statement). The City will cooperate with the successful bidder in this manner. The costs of obtaining any bond insurance policy and the costs of providing disclosure information about the credit enhancement provider shall be paid by the successful bidder. In addition, the successful bidder will be required, as a condition for delivery of the Bonds, to certify that the premium will be less than the present value of the interest expected to be saved as a result of such insurance.

Electronic Bidding. The City assumes no responsibility or liability for electronic bids. If any provisions in this Official Notice of Sale conflict with information provided by Parity®, this Official Notice of Sale shall control. Further information about the electronic bidding service providers, including any fee charged and applicable requirements, may be obtained from:

Parity®/IPREO  
1359 Broadway, 2nd Floor  
New York, New York 10018  
(212) 849-5021 phone

Award. Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal shall result in the lowest true interest cost to the City. The true interest cost is computed as the discount rate which, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the Bonds, produces an amount equal to the purchase price. If two or more bids provide the same lowest true interest rate, the City shall determine which proposal shall be accepted, and such determination shall be final. A computation by the bidder of such true interest cost rate contained in any bid shall be for information only and shall not constitute a part of the bid. The purchaser shall pay accrued interest from the date of the Bonds to the date of delivery and payment of the purchase price.

Establishment of the Issue Price. The successful bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City prior to Closing a certificate acceptable to Bond Counsel setting forth the reasonably expected initial public offering price to the public (the “Initial Public Offering Price”), or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, in the form attached hereto as Exhibit A (the “Issue Price Certificate”), with such modifications as may be appropriate or necessary in the reasonable judgment of the successful bidder, the City or Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (“Bond Counsel”). All actions to be taken by the City under this Official Notice of Sale to establish the issue price of the Bonds

---

\* Preliminary, subject to change.

may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

The City 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 City 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 City 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 City 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 Official Notice of Sale.

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

In the event the City receives less than three bids that conform to the parameters contained herein such that the competitive sale requirements are not satisfied, the City intends to treat the initial public offering price to the public of each maturity of the Bonds as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). Consequently, bidders should assume for purposes of making its bid that, if the competitive sale requirements described above are not met, and less than 10% of any maturity has been sold to the public at the initial public offering price, as of the sale date, the bidder will be required to comply with the hold-the offering-price rule described below. The City will advise the apparent winning bidder within one hour of receipt of bids if the hold-the-offering-price rule will apply as to any maturities for which less than 10% has been sold to the public on the sale date at the initial public offering price to the public (the "10% test"). The winning bidder shall notify the City on the sale date as to any maturities for which the 10% test has been met, and shall apply the hold-the-offering-price rule to all other maturities. In the event that the competitive sale requirements are not satisfied, the issue price certificate shall be modified as necessary in the reasonable judgment of Bond Counsel and the City.

By submitting a bid, the successful bidder shall, on behalf of the underwriters participating in the purchase of the Bonds, (i) confirm that the underwriters have offered or will offer each maturity of the Bonds to the public on or before the date that the Bonds are awarded by the City to the successful bidder ("Sale Date") at the initial public offering price 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 any maturity of the Bonds to any person at a price that is higher than the initial public offering price for such maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth 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 public offering price for such maturity.

The winning bidder shall promptly advise the City 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 public offering price if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the Sale Date.

The City acknowledges that, in making the representation set forth above, the successful bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the

hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party 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 third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to

(A) report the prices at which it sells to the public the Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and

(B) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder and in the related pricing wires, and

(ii) any agreement among underwriters relating to the sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party 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 third-party distribution agreement to

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and

(B) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

(i) “public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (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 third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) 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

- (iv) “sale date” means the date the Bonds are awarded by the City to the winning bidder.

Undertakings of the Successful Bidder. The successful bidder will, within 30 minutes after being notified that such firm is the apparent winning bidder of the Bonds, advise the City in writing of the initial public offering price to the public of each maturity of the Bonds. Prior to the delivery of the Bonds, the successful bidder will furnish the Issue Price Certificate to the City. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to execute the Issue Price Certificate.

Delivery. The Bonds will be delivered in typewritten form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, securities depository of the Bonds for the establishment of book-entry accounts at the direction of the successful bidder, within approximately 45 days after the award. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within 45 days after the date of the sale of the Bonds, the successful bidder may, prior to tender of the Bonds, at its option, be relieved of its obligation under the contract to purchase the Bonds and its good faith check shall be returned, but no interest shall be allowed thereon. Delivery of the Bonds is currently anticipated to be on or about June 10, 2019.

Legal Opinion. The successful bidder will be furnished without cost, the unqualified approving legal opinion of Bond Counsel. By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder consents to and waives any conflict of interest arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

CUSIP Numbers. The City will assume no obligation for the assignment of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon. The City will permit such numbers to be assigned and printed at the expense of the original purchaser, but neither the failure to print such numbers on any Bonds nor any error with respect thereto will constitute cause for failure or refusal by the original purchaser to accept delivery of the Bonds. Application for CUSIP numbers is the obligation of the purchaser. PFM Financial Advisors LLC, the City’s municipal advisor, will request the assignment of CUSIP numbers prior to the sale of the Bonds.

Official Statement. Upon the sale of the Bonds, the City will publish an Official Statement in substantially the same form as the Preliminary Official Statement subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. Promptly after the sale date, but in no event later than seven business days after such date, the City will provide without cost to the successful bidder a reasonable number of copies of the Official Statement (not to exceed 20 copies). The successful bidder will be responsible for uploading the Official Statement via the EMMA system. The successful bidder agrees to supply to the City all necessary pricing information and any underwriter identification necessary to complete the Official Statement within 24 hours after the award of Bonds.

Certification Regarding Official Statement. The City will deliver, at closing, a certificate, executed by appropriate officers of the City acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the City and the Bonds are true and correct in all material respects, and that the Official Statement does 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 were made, not misleading.

Undertaking to Provide Continuing Disclosure. A Continuing Disclosure Undertaking (the “Undertaking”) will be delivered at closing setting forth the details and terms of the City’s undertaking and the Undertaking is a condition of closing. In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the City will covenant in the Undertaking to provide annual reports and timely notice of certain events for the benefit of holders of the Bonds. The form of the Undertaking is included in the Preliminary Official Statement and in the final Official Statement.

Transcript of Proceedings. A transcript of the proceedings relative to the issuance of the Bonds will be furnished to the successful bidder without cost, including a Closing Certificate stating that there is no litigation pending or threatened affecting the validity of or the security for the Bonds.

Irregularities. The City Council reserves the right to reject any and all bids and to waive any and all irregularities.

Information. The Preliminary Official Statement can be viewed on the worldwide web at [www.i-dealprospectus.com](http://www.i-dealprospectus.com) or copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to the City's financial advisor, PFM Financial Advisors LLC, 190 S. LaSalle St., Suite 2000, Chicago, Illinois 60603, Attention: PFM Financial Advisors LLC – Shannon Jacobson, phone (312) 523-2437, email [jacobsons@pfm.com](mailto:jacobsons@pfm.com).

\* \* \* \* \*

**EXHIBIT A**

**FORM OF CERTIFICATE OF PURCHASER**

**City of Evanston, Cook County, Illinois**  
\$ \_\_\_\_\_ **General Obligation Corporate Purpose Bonds, Series 2019A**

The undersigned, on behalf of \_\_\_\_\_ (the “*Purchaser*”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “*Bonds*”).

**I. General**

On the Sale Date, the Purchaser purchased the Bonds from the City of Evanston, Cook County, Illinois (the “*City*”), by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the City. The Purchaser has not modified the terms of the purchase since the Sale Date.

**II. Price**

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 Purchaser are the prices listed in *Exhibit A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

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

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

[2. Sale of 10%.

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A*.]

[3. Expected First Sale Price.

With respect to each of the \_\_\_\_\_ Maturities of the Bonds:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “*Expected First Sale Price*”).]

[4. Hold the Offer Price.



The Purchaser offered the Bonds to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.

(a) As set forth in the Notice of Sale and bid award, the Purchaser agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(b) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.]

### III. Defined Terms

[1. *General Rule Maturities* means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (\_\_\_\_\_, 2019), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. *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.

5. *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.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter 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).

7. *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 May \_\_\_, 2019.

8. *Underwriter* means (i) any person that agrees pursuant to a written contract with the City (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, including, specifically, the Purchaser, 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 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 foregoing information will be relied upon by the City with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP 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 Internal Revenue Service Form 8038, and other federal income tax advice it may give to the City from time to time relating to the Bonds.

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 2019

OFFICIAL NOTICE OF SALE

\$13,280,000\*

City of Evanston, Cook County, Illinois  
General Obligation Corporate Purpose Bonds, Series 2019B  
Dated the Date of Delivery

Date, Time and Place. IRREVOCABLE ELECTRONIC BIDS will be received by PFM Financial Advisors LLC, 190 S. LaSalle St., Suite 2000, Chicago, Illinois 60603, financial advisor acting on behalf of the City of Evanston, Cook County, Illinois (the “City”), for all but not part of the City’s \$13,280,000\* General Obligation Corporate Purpose Bonds, Series 2019B (the “Bonds”), until 10:15 a.m. (Central Time) on:

May 16, 2019

at which time electronic bids will be retrieved and all bids publicly read. Electronic bids must be submitted through Parity®.

Term of the Bonds. The Bonds will be dated their date of delivery, and will mature December 1 in the years and amounts as follows:

MATURITY SCHEDULE

| <u>Year</u> | <u>Amount*</u> |
|-------------|----------------|
| 2020        | \$ 400,000     |
| 2021        | 420,000        |
| 2022        | 445,000        |
| 2023        | 465,000        |
| 2024        | 490,000        |
| 2025        | 515,000        |
| 2026        | 540,000        |
| 2027        | 565,000        |
| 2028        | 595,000        |
| 2029        | 625,000        |
| 2030        | 655,000        |
| 2031        | 685,000        |
| 2032        | 720,000        |
| 2033        | 755,000        |
| 2034        | 795,000        |
| 2035        | 835,000        |
| 2036        | 875,000        |
| 2037        | 920,000        |
| 2038        | 965,000        |
| 2039        | 1,015,000      |

Interest on said Bonds will be payable semi-annually on June 1 and December 1, commencing December 1, 2019.

Adjustments to Principal Amounts After Determination of Best Proposal. The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. Such adjustments shall be the sole discretion of the City provided that the City or its designee shall only make such adjustments in order to size the Bonds to provide enough funds to effect the refunding, or to establish a debt service structure that is acceptable to the City. If the issue size is adjusted, the purchase price will be adjusted to ensure that the percentage net compensation (i.e. the percentage resulting from dividing (i) the aggregate

---

\*Preliminary, subject to change.

difference between the offering price of the Bonds to the public and the price to be paid to the City (excluding accrued interest), less any bond insurance premium paid by the successful bidder, by (ii) the principal amount of the Bonds) remains constant.

Term Bond Option. Proposals for the Bonds may contain a maturity schedule providing for a combination of serial and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

Call Feature. The Bonds maturing on December 1, 2030, and thereafter are subject to redemption prior to maturity at the option of the City on December 1, 2029, and any date thereafter, in whole or in part and if in part in such principal amounts and from such maturities as the City shall determine and within any maturity by lot at a redemption price of par plus accrued interest to the date fixed for redemption.

Registration. The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). The City will assume no liability for failure of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds. In the event that the securities depository relationship with DTC for the Bonds is terminated and the City does not appoint a successor depository, the City will prepare, authenticate and deliver, at its expense, fully registered certificated Bonds in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of Bonds of the same maturities and with the same interest rate or rates then outstanding to the beneficial owners of the Bonds.

Security and Purpose. The Bonds are general obligations of the City. The principal of and interest on the Bonds will be payable from ad valorem taxes, which shall be levied without limitation as to rate or amount upon all taxable property located in the territory of the City. The Bonds are being issued for the purpose of (i) providing for capital improvements at various locations throughout the City, including certain capital expenditures as detailed for the year 2019 in the City’s Capital Improvement Plan, as adopted by the City Council; (ii) paying capitalized interest on the Bonds through December 1, 2019; and (iii) paying costs related to the issuance of the Bonds.

Not Bank Qualified. The Bonds will not be designated “qualified tax-exempt obligations” pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Bid Specifications. Bids shall be received on an interest rate basis in an integral multiple of One-Twentieth (1/20) or One-Eighth (1/8) of One Percent (1%). All Bonds of the same maturity shall bear the same interest rate. A rate of interest must be named for each maturity; a zero rate of interest shall not be named; and the premium, if any, must be paid in cash as part of the purchase price. The minimum rate of interest is 5.0% on the December 1, 2030 maturity and later. The maximum rate of interest is 7.0% on all maturities. No supplemental interest shall be specified. Each bid shall offer to purchase all of the Bonds and shall offer a price (payable in federal or other immediately available funds) which is not less than \$13,147,200\* (99.0% of par), plus accrued interest to the date of delivery.

Good Faith Deposit. A good faith deposit in the amount of ONE HUNDRED THIRTY TWO THOUSAND EIGHT HUNDRED DOLLARS\* (\$132,800\*) is only required by the successful bidder for the Bonds. The successful bidder for the Bonds is required to submit such Good Faith Deposit payable to the order of the City in the form of a wire transfer in federal funds. Instructions for wiring the Good Faith Deposit are as follows:

|                |                                  |
|----------------|----------------------------------|
| Destination:   | Byline Bank (Evanston, Illinois) |
| ABA #:         | 071925538                        |
| For credit to: | City of Evanston, Illinois       |
| Account #:     | 4012041                          |
| Account Name:  | Capital Improvements Fund        |

The successful bidder shall submit the Good Faith Deposit within two hours after verbal award is made. The successful bidder should provide as quickly as it is available, evidence of wire transfer by providing the City the federal

---

\*Preliminary, subject to change.

funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the successful bidder may be rejected and the City may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Bonds to the same. If the successful bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is nonetheless obligated to pay to the City the sum of \$132,800\* as liquidated damages due to the failure of the successful bidder to timely deposit the Good Faith Deposit.

**Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.**

The Good Faith Deposit so wired will be retained by the City until the delivery of the Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Bonds or the good faith deposit will be retained by the City as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Bonds in compliance with the terms of the Official Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the City. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the Bonds.

Insurance on Bonds. In the event the successful bidder obtains a bond insurance policy for all or a portion of the Bonds, by or on behalf of it or any other member of its underwriting group, the successful bidder is responsible for making sure that disclosure information is provided about the credit enhancement provider (for example, through a wrapper sure to the Official Statement). The City will cooperate with the successful bidder in this manner. The costs of obtaining any bond insurance policy and the costs of providing disclosure information about the credit enhancement provider shall be paid by the successful bidder. In addition, the successful bidder will be required, as a condition for delivery of the Bonds, to certify that the premium will be less than the present value of the interest expected to be saved as a result of such insurance.

Electronic Bidding. The City assumes no responsibility or liability for electronic bids. If any provisions in this Official Notice of Sale conflict with information provided by Parity®, this Official Notice of Sale shall control. Further information about the electronic bidding service providers, including any fee charged and applicable requirements, may be obtained from:

Parity®/IPREO  
1359 Broadway, 2nd Floor  
New York, New York 10018  
(212) 849-5021 phone

Award. Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal shall result in the lowest true interest cost to the City. The true interest cost is computed as the discount rate which, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the Bonds, produces an amount equal to the purchase price. If two or more bids provide the same lowest true interest rate, the City shall determine which proposal shall be accepted, and such determination shall be final. A computation by the bidder of such true interest cost rate contained in any bid shall be for information only and shall not constitute a part of the bid. The purchaser shall pay accrued interest from the date of the Bonds to the date of delivery and payment of the purchase price.

Establishment of the Issue Price. The successful bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City prior to Closing a certificate acceptable to Bond Counsel setting forth the reasonably expected initial public offering price to the public (the “Initial Public Offering Price”), or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, in the form attached hereto as Exhibit A (the “Issue Price Certificate”), with such modifications as may be appropriate or necessary in the reasonable judgment of the successful bidder, the City or Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (“Bond Counsel”). All actions to be taken by the City under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City’s municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City’s municipal advisor.

---

\* Preliminary, subject to change.

The City 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 City 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 City 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 City 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 Official Notice of Sale.

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

In the event the City receives less than three bids that conform to the parameters contained herein such that the competitive sale requirements are not satisfied, the City intends to treat the initial public offering price to the public of each maturity of the Bonds as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). Consequently, bidders should assume for purposes of making its bid that, if the competitive sale requirements described above are not met, and less than 10% of any maturity has been sold to the public at the initial public offering price, as of the sale date, the bidder will be required to comply with the hold-the offering-price rule described below. The City will advise the apparent winning bidder within one hour of receipt of bids if the hold-the-offering-price rule will apply as to any maturities for which less than 10% has been sold to the public on the sale date at the initial public offering price to the public (the “10% test”). The winning bidder shall notify the City on the sale date as to any maturities for which the 10% test has been met, and shall apply the hold-the-offering-price rule to all other maturities. In the event that the competitive sale requirements are not satisfied, the issue price certificate shall be modified as necessary in the reasonable judgment of Bond Counsel and the City.

By submitting a bid, the successful bidder shall, on behalf of the underwriters participating in the purchase of the Bonds, (i) confirm that the underwriters have offered or will offer each maturity of the Bonds to the public on or before the date that the Bonds are awarded by the City to the successful bidder (“Sale Date”) at the initial public offering price 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 any maturity of the Bonds to any person at a price that is higher than the initial public offering price for such maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth 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 public offering price for such maturity.

The winning bidder shall promptly advise the City 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 public offering price if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the Sale Date.

The City acknowledges that, in making the representation set forth above, the successful bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party 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 third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to

(A) report the prices at which it sells to the public the Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and

(B) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder and in the related pricing wires, and

(ii) any agreement among underwriters relating to the sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party 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 third-party distribution agreement to

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and

(B) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

(i) “public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (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 third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) 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

(iv) “sale date” means the date the Bonds are awarded by the City to the winning bidder.



Undertakings of the Successful Bidder. The successful bidder will, within 30 minutes after being notified that such firm is the apparent winning bidder of the Bonds, advise the City in writing of the initial public offering price to the public of each maturity of the Bonds. Prior to the delivery of the Bonds, the successful bidder will furnish the Issue Price Certificate to the City. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to execute the Issue Price Certificate.

Delivery. The Bonds will be delivered in typewritten form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, securities depository of the Bonds for the establishment of book-entry accounts at the direction of the successful bidder, within approximately 45 days after the award. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within 45 days after the date of the sale of the Bonds, the successful bidder may, prior to tender of the Bonds, at its option, be relieved of its obligation under the contract to purchase the Bonds and its good faith check shall be returned, but no interest shall be allowed thereon. Delivery of the Bonds is currently anticipated to be on or about June 10, 2019.

Legal Opinion. The successful bidder will be furnished without cost, the unqualified approving legal opinion of Bond Counsel. By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder consents to and waives any conflict of interest arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

CUSIP Numbers. The City will assume no obligation for the assignment of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon. The City will permit such numbers to be assigned and printed at the expense of the original purchaser, but neither the failure to print such numbers on any Bonds nor any error with respect thereto will constitute cause for failure or refusal by the original purchaser to accept delivery of the Bonds. Application for CUSIP numbers is the obligation of the purchaser. PFM Financial Advisors LLC, the City's municipal advisor, will request the assignment of CUSIP numbers prior to the sale of the Bonds.

Official Statement. Upon the sale of the Bonds, the City will publish an Official Statement in substantially the same form as the Preliminary Official Statement subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. Promptly after the sale date, but in no event later than seven business days after such date, the City will provide without cost to the successful bidder a reasonable number of copies of the Official Statement (not to exceed 20 copies). The successful bidder will be responsible for uploading the Official Statement via the EMMA system. The successful bidder agrees to supply to the City all necessary pricing information and any underwriter identification necessary to complete the Official Statement within 24 hours after the award of Bonds.

Certification Regarding Official Statement. The City will deliver, at closing, a certificate, executed by appropriate officers of the City acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the City and the Bonds are true and correct in all material respects, and that the Official Statement does 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 were made, not misleading.

Undertaking to Provide Continuing Disclosure. A Continuing Disclosure Undertaking (the "Undertaking") will be delivered at closing setting forth the details and terms of the City's undertaking and the Undertaking is a condition of closing. In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the City will covenant in the Undertaking to provide annual reports and timely notice of certain events for the benefit of holders of the Bonds. The form of the Undertaking is included in the Preliminary Official Statement and in the final Official Statement.

Transcript of Proceedings. A transcript of the proceedings relative to the issuance of the Bonds will be furnished to the successful bidder without cost, including a Closing Certificate stating that there is no litigation pending or threatened affecting the validity of or the security for the Bonds.

Irregularities. The City Council reserves the right to reject any and all bids and to waive any and all irregularities.

Information. The Preliminary Official Statement can be viewed on the worldwide web at [www.i-dealprospectus.com](http://www.i-dealprospectus.com) or copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to the City's financial advisor, PFM Financial Advisors LLC, 190 S. LaSalle St., Suite 2000, Chicago, Illinois 60603, PFM Financial Advisors LLC – Shannon Jacobson, phone (312) 523-2437, email [jacobsons@pfm.com](mailto:jacobsons@pfm.com).

**EXHIBIT A**

**FORM OF CERTIFICATE OF PURCHASER**

**City of Evanston, Cook County, Illinois**  
**\$ \_\_\_\_\_ General Obligation Corporate Purpose Bonds, Series 2019B**

The undersigned, on behalf of \_\_\_\_\_ (the “*Purchaser*”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “*Bonds*”).

**I. General**

On the Sale Date, the Purchaser purchased the Bonds from the City of Evanston, Cook County, Illinois (the “*City*”), by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the City. The Purchaser has not modified the terms of the purchase since the Sale Date.

**II. Price**

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 Purchaser are the prices listed in *Exhibit A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

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

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

[2. Sale of 10%.

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A*.]

[3. Expected First Sale Price.

With respect to each of the \_\_\_\_\_ Maturities of the Bonds:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “*Expected First Sale Price*”).]

[4. Hold the Offer Price.

The Purchaser offered the Bonds to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.

(a) As set forth in the Notice of Sale and bid award, the Purchaser agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(b) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.]

### **III. Defined Terms**

[1. *General Rule Maturities* means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (\_\_\_\_\_, 2019), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. *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.

5. *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.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter 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).

7. *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 May \_\_\_, 2019.

8. *Underwriter* means (i) any person that agrees pursuant to a written contract with the City (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, including, specifically, the Purchaser, 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 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 foregoing information will be relied upon by the City with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP 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 Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the City from time to time relating to the Bonds.

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 2019

**BID FORM**

**\$13,285,000\***

**GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A  
CITY OF EVANSTON, COOK COUNTY, ILLINOIS**

**City of Evanston, Illinois  
c/o PFM Financial Advisors LLC (Fax: 312/977-1575)**

**Sale Date: May 16, 2019**

For all or none of the principal amount of \$13,285,000\* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds") legally issued and as described in the Official Notice of Sale, we will pay the City \$\_\_\_\_\_ (not less than 99.0% of par) plus accrued interest on the total principal amount of the Bonds to date of delivery, provided the Bonds bear the following interest rates:

| <u>Year</u>         | <u>Original Amount*</u> | <u>Rate</u> | <u>Yield</u> | <u>Year</u>         | <u>Original Amount*</u> | <u>Rate</u> | <u>Yield</u> |
|---------------------|-------------------------|-------------|--------------|---------------------|-------------------------|-------------|--------------|
| 2022                | \$345,000               | %           | %            | 2033 <sup>(1)</sup> | \$590,000               | %           | %            |
| 2023                | 365,000                 | %           | %            | 2034 <sup>(1)</sup> | 620,000                 | %           | %            |
| 2024                | 380,000                 | %           | %            | 2035 <sup>(1)</sup> | 650,000                 | %           | %            |
| 2025                | 400,000                 | %           | %            | 2036 <sup>(1)</sup> | 685,000                 | %           | %            |
| 2026                | 420,000                 | %           | %            | 2037 <sup>(1)</sup> | 715,000                 | %           | %            |
| 2027                | 440,000                 | %           | %            | 2038 <sup>(1)</sup> | 755,000                 | %           | %            |
| 2028                | 465,000                 | %           | %            | 2039 <sup>(1)</sup> | 790,000                 | %           | %            |
| 2029                | 485,000                 | %           | %            | 2040 <sup>(1)</sup> | 830,000                 | %           | %            |
| 2030 <sup>(1)</sup> | 510,000                 | %           | %            | 2041 <sup>(1)</sup> | 870,000                 | %           | %            |
| 2031 <sup>(1)</sup> | 535,000                 | %           | %            | 2042 <sup>(1)</sup> | 915,000                 | %           | %            |
| 2032 <sup>(1)</sup> | 560,000                 | %           | %            | 2043 <sup>(1)</sup> | 960,000                 | %           | %            |

<sup>(1)</sup>The minimum rate of interest is 5.0% on the December 1, 2030 maturity and later.

The Bonds mature on December 1 in each of the years as indicated above and interest is payable June 1 and December 1 of each year, commencing December 1, 2019. The Bonds maturing on December 1, 2030, and thereafter are subject to redemption prior to maturity at the option of the City on December 1, 2029, and any date thereafter. The minimum rate of interest is 5.0% on the December 1, 2030 maturity and later. The maximum rate of interest is 7.0% on all maturities.

In making this offer, we accept the terms and conditions as defined in the Official Notice of Sale published in the Preliminary Official Statement dated April 29, 2019. In submitting this bid, we represent that (i) this bid constitutes a firm offer to purchase the Bonds on the terms set forth in this bid from and the Official Notice of Sale and is not subject to any conditions, except as permitted by the Official Notice of Sale, and (ii) we have an established industry reputation for underwriting new issuances of municipal bonds and notes. All blank spaces of this offer are intentional and are not to be construed as an omission. Our good faith deposit in the amount of \$132,850\* will be wired in federal funds to the City within two hours after verbal award is made according to the Official Notice of Sale.

|   |
|---|
| <p><b>NOT PART OF THE BID</b></p> <p>Explanatory Note: According to our computation this bid involves the following:</p> <p>_____</p> <p>Net Interest Cost</p> <p>_____</p> <p>True Interest Rate (TIC)</p> |
|---|

Respectfully submitted,

\_\_\_\_\_  
Account Manager

The foregoing offer is hereby accepted by and on behalf of City of Evanston, Cook County, Illinois, this 16<sup>th</sup> day of May, 2019.

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

\*Preliminary, subject to change.

**BID FORM**

**\$13,280,000\***

**GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019B  
CITY OF EVANSTON, COOK COUNTY, ILLINOIS**

**City of Evanston, Illinois  
c/o PFM Financial Advisors LLC (Fax: 312/977-1575)**

**Sale Date: May 16, 2019**

For all or none of the principal amount of \$13,280,000\* General Obligation Corporate Purpose Bonds, Series 2019B (the "Bonds") legally issued and as described in the Official Notice of Sale, we will pay the City \$ \_\_\_\_\_ (not less than 99.0% of par) plus accrued interest on the total principal amount of the Bonds to date of delivery, provided the Bonds bear the following interest rates:

| <u>Year</u> | <u>Original Amount*</u> | <u>Rate</u> | <u>Yield</u> | <u>Year</u>         | <u>Original Amount*</u> | <u>Rate</u> | <u>Yield</u> |
|-------------|-------------------------|-------------|--------------|---------------------|-------------------------|-------------|--------------|
| 2020        | \$400,000               | %           | %            | 2030 <sup>(1)</sup> | \$ 655,000              | %           | %            |
| 2021        | 420,000                 | %           | %            | 2031 <sup>(1)</sup> | 685,000                 | %           | %            |
| 2022        | 445,000                 | %           | %            | 2032 <sup>(1)</sup> | 720,000                 | %           | %            |
| 2023        | 465,000                 | %           | %            | 2033 <sup>(1)</sup> | 755,000                 | %           | %            |
| 2024        | 490,000                 | %           | %            | 2034 <sup>(1)</sup> | 795,000                 | %           | %            |
| 2025        | 515,000                 | %           | %            | 2035 <sup>(1)</sup> | 835,000                 | %           | %            |
| 2026        | 540,000                 | %           | %            | 2036 <sup>(1)</sup> | 875,000                 | %           | %            |
| 2027        | 565,000                 | %           | %            | 2037 <sup>(1)</sup> | 920,000                 | %           | %            |
| 2028        | 595,000                 | %           | %            | 2038 <sup>(1)</sup> | 965,000                 | %           | %            |
| 2029        | 625,000                 | %           | %            | 2039 <sup>(1)</sup> | 1,015,000               | %           | %            |

<sup>(1)</sup>The minimum rate of interest is 5.0% on the December 1, 2030 maturity and later.

The Bonds mature on December 1 in each of the years as indicated above and interest is payable June 1 and December 1 of each year, commencing December 1, 2019. The Bonds maturing on December 1, 2030, and thereafter are subject to redemption prior to maturity at the option of the City on December 1, 2029, and any date thereafter. The minimum rate of interest is 5.0% on the December 1, 2030 maturity and later. The maximum rate of interest is 7.0% on all maturities.

In making this offer, we accept the terms and conditions as defined in the Official Notice of Sale published in the Preliminary Official Statement dated April 29, 2019. In submitting this bid, we represent that (i) this bid constitutes a firm offer to purchase the Bonds on the terms set forth in this bid from and the Official Notice of Sale and is not subject to any conditions, except as permitted by the Official Notice of Sale, and (ii) we have an established industry reputation for underwriting new issuances of municipal bonds and notes. All blank spaces of this offer are intentional and are not to be construed as an omission. Our good faith deposit in the amount of \$132,800\* will be wired in federal funds to the City within two hours after verbal award is made according to the Official Notice of Sale.

|   |
|---|
| <p><b>NOT PART OF THE BID</b></p> <p>Explanatory Note: According to our computation this bid involves the following:</p> <p>_____</p> <p>Net Interest Cost</p> <p>_____</p> <p>True Interest Rate (TIC)</p> |
|---|

Respectfully submitted,

\_\_\_\_\_  
Account Manager

The foregoing offer is hereby accepted by and on behalf of City of Evanston, Cook County, Illinois, this 16<sup>th</sup> day of May, 2019.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

\*Preliminary, subject to change.