

**OFFICIAL NOTICE OF NOTE SALE**

**\$600,000,000\***

**STATE OF COLORADO**

**General Fund Tax and Revenue Anticipation Notes**

**Series 2019**

PUBLIC NOTICE IS HEREBY GIVEN that bids will be received by the Treasurer of the State of Colorado (the “Treasurer” and the “State,” respectively), for the purchase of the “State of Colorado General Fund Tax and Revenue Anticipation Notes, Series 2019” (the “Notes”) in the aggregate principal amount of \$600,000,000\*.

Bids for the purchase of the Notes will only be accepted electronically through the Bidcomp/Parity system (“PARITY”). No other method of submitting bids will be accepted. See “TERMS OF SALE – Submission of Bids” below.

The date and deadline for submitting bids will be as follows:

***Bid Date and Time:* Wednesday, July 17, 2019  
Until 11:00 a.m., Eastern Time (9:00 a.m., Mountain time)**

***Information relating to the sale of the Notes can be obtained from:***

***George K. Baum & Company  
1400 Wewatta Street, Suite 800, Denver, Colorado 80202  
Ms. Robyn Moore: Phone Number (303) 391-5495; email moore@gkbaum.com***

***or***

***PARITY at  
i-Deal LLC  
1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Phone Number (212) 849-5021***

This Official Notice of Note Sale, and the information set forth herein, are not to be treated as a complete disclosure of all relevant information with respect to the Notes. The information set forth herein is subject, in all respects, to a more complete description of the Notes and the security therefor set forth in the Preliminary Official Statement dated July 2, 2019 (the “Preliminary Official Statement”). Capitalized terms in this Official Notice of Note Sale shall have the meanings given to them in the Preliminary Official Statement.

**NOTE DETAILS**

***Terms.*** The “State of Colorado General Fund Tax and Revenue Anticipation Notes, Series 2019” in the aggregate principal amount of \$600,000,000\*, will be dated the date of their initial issuance, anticipated to be July 24, 2019, and will mature on June 26, 2020. The aggregate principal amount of the Notes awarded for purchase may be adjusted prior to final award based upon the aggregate amount of premium (not to exceed 5% of the principal amount, as provided below) bid by any winning bidder or bidders. Interest on the Notes will be payable on the Maturity Date. The Notes will not be subject to redemption prior to maturity. The terms of the Notes are more fully described in the Preliminary Official Statement.

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\* **Preliminary, subject to change.** The Treasurer reserves the right to modify the aggregate principal amount of the Notes being offered for sale and to reschedule the receipt and opening of bids, and to otherwise modify this Official Notice of Note Sale, in which case notice will be given to prospective bidders. See “Right to Modify or Amend Notice of Sale” below.

Although bids must be submitted in increments of \$5,000,000, the Notes will be issued in registered form, in denominations of \$5,000 or integral multiples thereof. The Notes will be issued in book-entry form utilizing the services of The Depository Trust Company, New York, New York (“DTC”) as securities depository.

**Security.** The principal of and interest on the Notes will be payable solely from (a) Current General Fund Revenues (as defined in the Preliminary Official Statement), (b) any unexpended proceeds of the Notes and Additional Notes (defined below), if any, and (c) amounts credited to other State funds that are legally available to pay the principal of and interest on the Notes and Additional Notes, if any (collectively, the “Pledged Revenues”). A restricted account (the “Series 2019 Note Payment Account”) will be created within the State General Fund and pledged to the payment of the Notes and Additional Notes, if any.

The Treasurer covenants to deposit Pledged Revenues into the Series 2019 Note Payment Account such that the amount therein on June 15, 2020, equals all of the principal of and interest due at maturity on the Notes and Additional Notes, if any. The Notes and the Additional Notes, if any, will be equally and ratably secured by an exclusive first lien on the Series 2019 Note Payment Account.

Reference is made to the Preliminary Official Statement for a more complete description of the security for the Notes. The Notes do not constitute a multiple fiscal year obligation, debt or an indebtedness of the State within the meaning of any applicable provision of the State Constitution or statutes.

**Additional Notes.** The State reserves the right to issue, during the fiscal year commencing July 1, 2019, additional general fund tax and revenue anticipation notes (“Additional Notes”) payable from and secured by a pledge of all or any portion of the Pledged Revenues on a parity with the pledge thereof in favor of the Notes.

## **TERMS OF SALE**

**Submission of Bids.** All bids must be submitted only by electronic bidding through PARITY. No other provider of bidding services and no other means of bid delivery (i.e. electronic or physical delivery) will be accepted. Bidders may change or withdraw their bids at any time up to the time designated herein.

All costs and expenses incurred by prospective bidders in connection with their submission of bids through PARITY are the sole responsibility of the bidders and the State is not responsible for any of such costs or expenses. Information about PARITY, including any fee charged, may be obtained from BiDCOMP/Parity by contacting them by phone at (212) 849-5021.

EACH BIDDER SUBMITTING AN ELECTRONIC BID UNDERSTANDS AND AGREES BY DOING SO THAT IT IS SOLELY RESPONSIBLE FOR ALL ARRANGEMENTS WITH PARITY, AND THAT PARITY IS NOT ACTING AS AN AGENT OF THE STATE. INSTRUCTIONS AND FORMS FOR SUBMITTING ELECTRONIC BIDS MUST BE OBTAINED FROM PARITY, AND THE STATE ASSUMES NO RESPONSIBILITY FOR ENSURING OR VERIFYING BIDDER COMPLIANCE WITH THE PROCEDURES OF PARITY. THE STATE WILL ASSUME THAT ANY BID RECEIVED THROUGH PARITY HAS BEEN MADE BY A DULY AUTHORIZED AGENT OF THE BIDDER. THE STATE, THE FINANCIAL ADVISOR AND BOND COUNSEL ASSUME NO RESPONSIBILITY FOR ANY ERROR CONTAINED IN ANY BID SUBMITTED ELECTRONICALLY, OR FOR FAILURE OF ANY BID TO BE TRANSMITTED, RECEIVED OR ACCEPTED AT THE OFFICIAL TIME FOR RECEIPT OF BIDS. THE TIME AS MAINTAINED BY PARITY SHALL CONSTITUTE THE OFFICIAL TIME.

The State assumes no responsibility or liability for bids submitted through PARITY. Without limitation, the State is not responsible for proper operation of, and it shall not have any liability for any delays or interruptions of or any damages caused by, PARITY. The State is using PARITY as a communications

mechanism and not as the State's agent to conduct electronic bidding for the Notes. The State is not bound by any advice and determination of PARITY to the effect that any particular bid complies with the terms of this Official Notice of Note Sale.

To the extent that any instructions or directions of PARITY conflict with this Official Notice of Note Sale, the terms of this Official Notice of Note Sale shall control.

**Bidding Parameters.** Bidders are required to submit unconditional bids specifying the rate of interest and premium, if any, at which the bidder will purchase all or any portion of the Notes. No bid for less than \$5,000,000 will be considered, and all bids must be in integral multiples of \$5,000,000. No bid to purchase the Notes at less than par will be accepted. Any premium specified by a bidder cannot exceed an amount greater than five percent (5%) of the principal amount which the bidder will purchase. No bids will be accepted offering to purchase the Notes on an "all or none" basis.

Separate proposals to purchase any portion of the Notes may be contained in the same electronic bid as a convenience to the bidder. If more than one electronic bid is submitted by the same bidder for any portion of the Notes, each such bid shall be considered a separate proposal for purchase of such portion.

**Bids Constitute an Irrevocable Offer.** Each bid submitted through PARITY shall be deemed an irrevocable offer to purchase the Notes on the terms provided in this Official Notice of Note Sale and shall be binding upon the bidder.

Through the submission of any electronic bid, the bidder will be deemed to have agreed that: (i) if such bid is accepted by the State, the terms of this Official Notice of Note Sale and the information that is electronically transmitted through PARITY shall form a contract and such bidder and the State shall be bound by the terms of such contract; and (ii) such bidder understands that PARITY is not an agent of the State and the State shall have no liability whatsoever based on the use by any bidder of PARITY, including but not limited to any failure by PARITY to correctly or timely transmit information that such bidder provides.

**Time of Award.** Bids will be accepted up until the time specified above. The Notes will be formally awarded on or about the date of the bid opening by the adoption of a resolution by the Treasurer.

**Basis of Award.** The Notes, subject to the reservations set forth in this Official Notice of Note Sale, will be sold to the bidder or bidders offering to purchase the same at the lowest true interest cost. The actuarial yield on the Notes using the true interest cost method will be computed at that yield which, if used to compute the present value of all payments of principal and interest on the Notes as of the date of the Notes, i.e., July 24, 2019, produces an amount equal to the aggregate bid price. Such calculation will be made based upon a 360-day year and a semi-annual interval for compounding.

An award may be made by the State to any bidder in a principal amount less than the principal amount of the Notes for which the bid is submitted; however, in no event will an award of any Notes be made in an aggregate principal amount which is not an integral multiple amount of \$5,000,000. Further, in the event of an award by the State for a principal amount less than the principal amount the bidder submitted, any premium bid shall be ratably reduced. If two or more bids have the same true interest cost, the first bid submitted, as determined by reference to the time displayed on PARITY, shall be deemed to be the leading bid.

**Sale Reservations.** The State reserves the right (a) to reject any and all bids for any Notes, (b) to reoffer any Notes for public or negotiated sale, and (c) to waive any irregularity or informality in any bid.

**No Good Faith Deposits.** A good faith deposit will not be required in connection with the submission of any bids for the Notes, nor will a good faith deposit be required for winning bidders.

***Manner and Time of Delivery.*** The Notes will be delivered to DTC for the account of the winning bidder or bidders at the expense of the State on July 24, 2019 or such later date as the State and the winning bidder or bidders may agree. No winning bidder will be required to accept delivery of the Notes if they are not tendered for delivery by July 24, 2019 or such later date as the State and the winning bidder or bidders may agree; provided that delivery of any Notes is conditioned upon the receipt by the State of a certificate as to their issue price. See “Certification of Issue Price and Reoffering Yield,” below. Payment of the purchase price due at delivery must be made in Federal Reserve funds for immediate and unconditional credit to the State.

***Official Statement.*** The Preliminary Official Statement and the information contained therein have been deemed final by the Treasurer as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”) with permitted omissions, but is subject to change without notice and to completion or amendment in the final Official Statement in final form (the “Final Official Statement”). The Preliminary Official Statement may be viewed and downloaded electronically in portable document format from [www.meritos.com](http://www.meritos.com).

The State will provide to each winning bidder within seven business days after the award of the sale of the Notes the Final Official Statement in portable document format to be downloaded from [www.meritos.com](http://www.meritos.com); provided, however the winning bidder must cooperate in providing the information required to complete the Final Official Statement.

The winning bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board.

***Continuing Disclosure Undertaking.*** The Treasurer has covenanted to provide, in a timely manner, to the Municipal Securities Rulemaking Board notice of the occurrence of specified material events. In accordance with the exemption set forth in subsection (d)(3) of Rule 15c2-12 with respect to obligations having a stated maturity of less than eighteen months, the State will not undertake to provide on an ongoing basis either audited annual financial statements or annual financial information or operating data of the type presented in the Final Official Statement.

***State Securities Laws.*** The State has taken no action to qualify the offer or sale of the Notes under the securities laws of any state. Should any such qualification be necessary, the State agrees to cooperate with the winning bidder or bidders in such matters; provided that the State reserves the right not to consent to service of process outside its boundaries, and expenses related to any such qualification shall be the responsibility of the winning bidder or bidders.

***CUSIP Numbers.*** CUSIP numbers will be issued and printed on the Notes at the expense of the State. Any error or omission in printing such numbers on the Notes will not constitute cause for any winning bidder to refuse delivery of any Note.

***Legal Opinion, Certificates and Transcript.*** The validity and enforceability of the Notes will be approved by the State’s Bond Counsel:

Sherman & Howard L.L.C.  
633 17<sup>th</sup> Street, Suite 3000  
Denver, Colorado 80202  
(303) 297-2900  
FAX: (303) 298-0940

A copy of the form of the opinion of Bond Counsel is attached as an exhibit to the Preliminary Official Statement.

The purchaser or purchasers of the Notes will receive a certified transcript of legal proceedings which will include, among other items:

- a certificate of the Treasurer to the effect that, as of its date, the Preliminary Official Statement was deemed final within the meaning of Rule 15c2-12, except for the omissions permitted under Rule 15c2-12;
- a certificate of the Treasurer to the effect that there is no litigation pending or, to his knowledge, threatened affecting the validity of the Notes as of the date of their delivery;
- a certificate of the Treasurer to the effect that, as of the date of the Official Statement and at all times to and including the date of delivery of the Notes, the Official Statement did not contain any untrue statement of a material fact or omit any statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and
- the opinion dated the date of the delivery of the Notes, of Kline Alvarado Veio P.C., Denver, Colorado, Special Counsel to the State, to the effect that although they have made no independent investigation or verification of the correctness and completeness of the information included in the Official Statement, in the course of their participation, no information came to their attention which leads them to believe that the Official Statement, as of its date (except for the financial statements, feasibility studies, engineering, demographic, economic and statistical data and any statements of trends, forecasts, estimates and assumptions, and any expressions of opinion, information concerning The Depository Trust Company contained in the Official Statement and its appendices, as to which they will express no view), contains any untrue statement of material fact or omits to state any material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading.

***Certification of Issue Price and Reoffering Yield.*** The State 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 Notes) will apply to the initial sale of the Notes (the “competitive sale requirements”) because: (a) the Treasurer shall disseminate this Official Notice of Note Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters; (b) all bidders shall have an equal opportunity to bid; (c) the Treasurer expects to receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds for Notes bearing the same interest rate and maturity; and (d) the Treasurer anticipates awarding the sale of the Notes to the bidder or bidders who submit firm offers to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Official Notice of Note Sale.

Any bid submitted pursuant to this Official Notice of Note Sale shall be considered a firm offer for the purchase of the Notes, in compliance with this Official Notice of Note Sale. As specified in “TERMS OF SALE,” by submitting a bid for the Notes, a bidder represents and warrants to the State that the bidder has an established industry reputation for underwriting new issuances of municipal bonds and such bidder’s bid is submitted for and on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes.

Any winning bidder will be required to complete, execute and deliver to the Treasurer (on or before the date of delivery of the Notes) a certification as to issue price, reoffering yield and certain other matters, substantially in the form as Exhibit A in the event the State receives three or more bids that fit the requirements of the Official Notice of Note Sale, and in substantially the same form as Exhibit B in the event the State does not receive three or more such bids. By submitting its bid, each bidder agrees to complete, execute and deliver such certificate by the date of delivery of the Notes if its bid is accepted. Any questions concerning such

certification should be directed to Sherman & Howard L.L.C., Bond Counsel, Attention: Cory G. Kalanick, Phone Number (303) 299-8373 or email ckalanick@shermanhoward.com.

***Right to Modify or Amend Notice of Sale.*** The State reserves the right to modify or amend this Official Notice of Note Sale. If any modifications occur, supplemental information with respect to the Notes will be communicated by posting on parity@i-deal.com not later than 10:00 a.m. Eastern time (8:00 a.m., Mountain time) on the day on which proposals may be submitted, and bidders shall bid upon the Notes based upon the terms thereof set forth in this Official Notice of Note Sale, as so modified by such supplemental information.

***Postponement of Sale.*** The State reserves the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by posting on parity@i-deal.com prior to commencement of the bidding. If any date and time fixed for the receipt of bids and the sale of the Notes is postponed, an alternative sale date and time will be announced at least one business day prior to such alternative sale date. On any such alternative sale date and time, any bidder may submit bids electronically as described above for the purchase of the Notes in conformity in all respects with the provisions of this Official Notice of Note Sale, except for the date and time of sale and except for any changes announced by posting on parity@i-deal.com at the time the sale date and time are announced.

***State Is Represented By Independent Registered Municipal Advisor.*** The State has engaged, is represented by and will rely on the advice of George K. Baum & Company, as an independent registered municipal advisor, to advise it on the issuance of the Notes offered for sale in this Official Notice of Note Sale, and other aspects of the financing for which the Notes are being issued. The State intends that this statement constitutes the “required representation” for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3)(vi)(B).

***Information.*** Copies (in reasonable quantities) of this Official Notice of Note Sale and other information concerning the State and the Notes may be obtained from:

The Honorable Dave Young  
Treasurer of the State of Colorado  
200 E. Colfax Avenue  
Room 140  
State Capitol Building  
Denver, Colorado 80203  
Phone Number (303) 866-2441

Ms. Robyn Moore  
George K. Baum & Company  
1400 Wewatta Street, Suite 800  
Denver, Colorado 80202  
Phone Number (303) 391-5495

The date of this Official Notice of Note Sale is July 2, 2019.

**TREASURER OF THE STATE OF COLORADO**

By: /s/ David L. Young  
Treasurer, State of Colorado

Exhibit A  
**(Three Bids Received)**

**Purchaser's Certificate:**

The undersigned hereby certifies that:

IT IS HEREBY CERTIFIED by the undersigned on behalf of \_\_\_\_\_ (the "Purchaser"), as purchaser of \$\_\_\_\_\_ of the \$\_\_\_\_\_ aggregate principal amount of the "State of Colorado General Fund Tax and Revenue Anticipation Notes, Series 2019" (the "Notes"):

1. The undersigned is a duly authorized officer of \_\_\_\_\_ (the "Purchaser").

2. On the date hereof, there was delivered to The Depository Trust Company in New York, New York, for the account of the Purchaser (in full conformity with the Official Notice of Note Sale), \$\_\_\_\_\_ principal amount of the \$\_\_\_\_\_ aggregate principal amount State of Colorado General Fund Tax and Revenue Anticipation Notes, Series 2019, bearing interest at the rate of \_\_\_\_% per annum (the "Notes").

3. On the date hereof, the Purchaser paid in immediately available funds, to the Treasurer of the State of Colorado (the "Issuer"), the amount of \$\_\_\_\_\_, representing the purchase price of the Notes as follows:

Principal:	\$ _____
Plus Gross Premium:	_____
Less Underwriter's Discount	_____ (____)
Total Purchase Price:	\$ _____

4. A bona fide public offering was made for the Notes on the sale date at the price(s) [and a reoffering yield(s)] shown on Exhibit 1. If a yield is shown on Exhibit 1, "price" herein means the dollar price that produces such yield. Such price(s) [is] [are] the reasonably expected initial offering price(s) of the Notes to the public which was used by the Purchaser in formulating its bid to purchase the Notes. For this purpose:

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party.

"Sale date" means the date the Purchaser's bid for the Notes was accepted on behalf of the Issuer.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes 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 Notes 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 Notes to the public).

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

6. The bid submitted by the Purchaser constituted a firm bid to purchase the Notes.

7. The Issuer and its counsel may rely on these certifications in concluding that the Notes meet certain requirements of the Internal Revenue Code of 1986 as amended (the "Code"), relating to tax-exempt bonds; however, nothing herein represents our interpretation of any law and we are not providing any interpretations of law or regulations in executing and delivering this certificate.

DATED this July 24, 2019.

\_\_\_\_\_, as Purchaser

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Exhibit 1  
(Offering Price(s) of Notes)

Exhibit B  
**(Fewer than Three Bids Received)**

**Purchaser's Certificate:**

The undersigned hereby certifies that:

IT IS HEREBY CERTIFIED by the undersigned on behalf of \_\_\_\_\_ (the "Purchaser"), as purchaser of \$\_\_\_\_\_ of the \$\_\_\_\_\_ aggregate principal amount of the "State of Colorado General Fund Tax and Revenue Anticipation Notes, Series 2019" (the "Notes"):

1. The undersigned is a duly authorized officer of \_\_\_\_\_ (the "Purchaser").
2. On the date hereof, there was delivered to The Depository Trust Company in New York, New York, for the account of the Purchaser (in full conformity with the Official Notice of Note Sale), \$\_\_\_\_\_ principal amount of the \$\_\_\_\_\_ aggregate principal amount State of Colorado General Fund Tax and Revenue Anticipation Notes, Series 2019, bearing interest at the rate of \_\_\_\_% per annum (the "Notes").
3. On the date hereof, the Purchaser paid in immediately available funds, to the Treasurer of the State of Colorado (the "Issuer"), the amount of \$\_\_\_\_\_, representing the purchase price of the Notes as follows:

Principal:	\$ _____
Plus Gross Premium:	_____
Less Underwriter's Discount	_____(____)
Total Purchase Price:	\$ _____

4. A bona fide public offering was made for the Notes on the sale date at the price(s) [and a reoffering yield(s)] shown on Exhibit 1. The first price(s) at which a substantial amount of the Notes was sold to the public are the [respective] price(s) shown on Exhibit 1. If a yield is shown on Exhibit 1, "price" herein means the dollar price that produces such yield. For this purpose:

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party.

"Sale date" means the date the Purchaser's bid for the Notes was accepted on behalf of the Issuer.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes 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 Notes 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 Notes to the public).

“Substantial amount” means 10% or more of the Notes.

5. The Issuer and its counsel may rely on these certifications in concluding that the Notes meet certain requirements of the Internal Revenue Code of 1986 as amended (the “Code”), relating to tax-exempt bonds; however, nothing herein represents our interpretation of any law and we are not providing any interpretations of law or regulations in executing and delivering this certificate.

DATED this July 24, 2019.

\_\_\_\_\_, as Purchaser

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

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

Title: \_\_\_\_\_

Exhibit 1  
(Offering Price(s) of Notes)

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