

OFFICIAL NOTICE OF SALE
for
\$24,000,000
SPARTANBURG COUNTY SCHOOL DISTRICT SIX,
SOUTH CAROLINA
GENERAL OBLIGATION BOND ANTICIPATION NOTE
SERIES 2019

Time and Place of Sale: NOTICE IS HEREBY GIVEN, unless otherwise notified, that proposals will be received by Spartanburg County School District Six, South Carolina (“***School District***”) until **11:00 a.m., South Carolina time, on Tuesday, September 17, 2019**, or on such other date and time as may be established by the School District and communicated electronically not less than 48 hours prior to the time the proposals are to be received for the rescheduled sale, at which time the proposals will be publicly reviewed for the purchase of the School District’s \$24,000,000 General Obligation Bond Anticipation Note, Series 2019 (“***Note***”) in the office of Dr. Omar Daniels, Assistant Superintendent for Finance for the School District, 1390 Cavalier Way, Roebuck, South Carolina 29376. Proposals may be delivered by email to rayjones@parkerpoe.com, emilyluther@parkerpoe.com and dcheatwood@firsttryon.com, or submitted via PARITY in the manner described below, but no proposal shall be considered which is not actually received by the School District at the place, date and time appointed and the School District shall not be responsible for any failure, misdirection or error in the means of transmission selected by any financial institution submitting a proposal (hereafter, any such financial institution will be referred to as “***Bidder***”). *For purposes of accepting proposals delivered by email, the time as maintained by PARITY shall constitute the official time of sale.*

DETAILS OF THE NOTE

Details of the Note: The Note will be issued under the Book-Entry System maintained by The Depository Trust Company, New York, New York (“***DTC***”), in the form of a single certificate in the principal amount of the Note, registered in the name of Cede & Co. as the registered owner and nominee of DTC. The Note will be dated its date of delivery; will be numbered R-1; and will mature as to principal and interest on September 24, 2020.

Rating: The School District will obtain a rating for the Note from Moody’s Investors Service, Inc. (“***Moody’s***”). An explanation of the significance of the rating may be obtained from the Moody’s. The rating reflects only the view of Moody’s and the School District makes no representation as to the appropriateness of the rating.

Optional Redemption: The Note is **not** subject to redemption prior to its stated maturity.

Not a Qualified Tax-Exempt Obligation: The Note will **not** be designated as a “qualified tax-exempt obligation” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (“***Code***”).

Registrar/Paying Agent: So long as the Note remains in Book-Entry form, Regions Bank, a state banking association organized and existing under the laws of the State of Alabama, shall serve as Registrar/Paying Agent. All payments of principal and interest with respect to the Note shall be made through the facilities of DTC.

Purpose: The Note is being issued for the purpose of providing funds to defray the costs of (i) paying, together with other funds of the School District, the principal and interest due on maturity of the School District’s \$35,000,000 General Obligation Bond Anticipation Note, Series 2018; and (ii) issuing the Note, all as authorized by a resolution adopted by the Board on August 5, 2019 (“***Resolution***”).

Security: The Note will constitute a binding general obligation of the School District and the full faith, credit, resources and taxing power of the School District are irrevocably pledged for the payment of the principal of and interest on the Note at maturity. In addition, so much of the principal proceeds of the general obligation bonds of the School District, in anticipation of which the Note is being issued, are pledged and shall be applied to the extent necessary for the payment of the principal of and interest on the Note.

Tax Status: In the opinion of Parker Poe Adams & Bernstein LLP, Columbia, South Carolina (“**Bond Counsel**”), interest on the Note is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion will be subject to the condition that the School District comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Note in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The School District has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the interest on the Note to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Note. No opinion regarding other federal tax consequences will be made with respect to the Note. The opinion also will state that under the laws of the State of South Carolina, the Note and the interest thereon are presently exempt from all State, county, municipal, school district and all other taxes and assessments, direct or indirect, general and special, except for inheritance, estate or transfer taxes, provided that the interest on the Note may be includable for certain franchise fees or taxes.

TERMS OF SALE

Proposal Requirements: Bidders will specify the rate of interest per annum which the Note is to bear, to be expressed in multiples of 1/20 or 1/8 of 1%.

Proposal Form: Proposals submitted by email should be marked “Proposal for \$24,000,000 Spartanburg County School District Six, South Carolina, General Obligation Bond Anticipation Note, Series 2019” and should be directed to the School District at the email addresses set forth in the first paragraph hereof.

Proposals may be submitted electronically via PARITY. To the extent any instructions or directions set forth in PARITY conflict with this Notice (as it may be supplemented or amended), the terms of this Notice shall control. For further information about PARITY, potential purchasers may contact PARITY at (212) 849-5021. Each qualified prospective purchaser shall be solely responsible to make necessary arrangements to access Dalcomp for purposes of submitting its proposal in a timely manner and in compliance with this Notice.

Registration of Proposals: The School District does not have a registration process for Bidders. Bidders who intend to submit their proposal by PARITY must register and be contracted customers of i-Deal LLC’s BIDCOMP Competitive Bidding System prior to the sale. By submitting a proposal for the Note, the Bidder represents and warrants to the School District that such financial institution’s proposal is submitted for and on behalf of such institution by an officer or agent who is duly authorized to bind such Bidder to a legal, valid and enforceable contract for the purchase of the Note.

Award of Note on TIC Basis: The Note will be awarded to the Bidder offering to purchase the Note at the lowest interest cost to the School District, such cost to be determined in accordance with the true interest cost (TIC) method. True interest cost will be determined by doubling the semiannual interest rate (compounded semiannually and based on a 360-day year of 12 months of 30 days each) necessary to discount the debt service payments on the Note from the payment dates to the dated date of the Note (i.e., September 24, 2019), such that the sum of such present values is equal to the price proposed, not including interest accrued to the date of delivery. The preceding calculation is sometimes referred to as the “Canadian Interest Cost Method” or “Present Value Method.” The School District reserves the right to

reject any and all proposals for any reason. The School District will award the sale of the Note and notify the successful Bidder not later than 2:00 p.m. on the sale date. In the event of a tie between proposals submitted, the winning proposal will be awarded by lot.

Good Faith Deposit: No good faith deposit will be required.

As a condition precedent to the award of the Note, the successful Bidder must disclose to First Tryon Advisors, the Financial Advisor to the School District in connection with the issuance of the Note, the price (or yield to maturity) at which the Note will be offered to the public. In the event of any adjustment of the maturity schedule, no rebidding or recalculation of the proposals submitted will be required or permitted. The award of the Note will be made to the Bidder whose proposal results in the lowest TIC.

Official Statement: The Preliminary Official Statement dated September 6, 2019, has been deemed final by the School District for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission ("**Rule**") but is subject to revision, amendment and completion in a final Official Statement as provided in the Rule. The School District will furnish the successful Bidder ("**Purchaser**") with sufficient copies of the final Official Statement, without charge, to meet the requirements of the Rule within seven working days of the acceptance of a proposal for the Note.

Continuing Disclosure: In order to assist Bidders in complying with the Rule, the School District will undertake, pursuant to the Resolution and a Continuing Disclosure Undertaking, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Certificates as to Issue Price and Yield: The Purchaser agrees to provide certificates, including, but not limited to, an issue price certificate substantially in the form of certificate attached hereto as Exhibit A or the form of certificate attached hereto as Exhibit B, whichever is applicable (and in either case subject to such modifications as the School District and the Purchaser may agree are necessary or appropriate). The School District intends that the provisions of Treasury Regulations § 1.148-1(f)(3)(i) (defining "competitive sale" for the purposes of establishing the issue price of municipal bonds) will apply to the initial sale of the Note ("**Competitive Sale Requirements**") because (i) the School District will disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters, (ii) all Bidders will have an equal opportunity to bid, (iii) the School District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds, and (iv) the School District anticipates awarding the sale of the Note to the Bidder that submits a firm offer to purchase the Note at the lowest net interest cost, as set forth herein. Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Note.

In the event that the Competitive Sale Requirements are not satisfied, the School District shall so advise the Purchaser. In that event, the School District may determine to treat (i) the first price at which 10% of the Note ("**10% Test**") is sold to the public as the issue price of the Note or (ii) the Initial Offering Price (as defined below) to the public as of the sale date of the Note as the issue price of the Note ("**Hold the Offering Price Rule**"). If the School District selects the first alternative, then until the 10% Test has been satisfied as to the Note, the Purchaser agrees that it will promptly report to the School District the price at which the unsold Note has been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% Test has been satisfied as to the Note.

If the School District selects the second alternative, then by submitting a bid, the Purchaser shall (i) confirm that the underwriters have offered or will offer the Note to the public on or before the date of award at the offering price ("**Initial Offering Price**"), or at the corresponding yield, set forth in the bid submitted by the Purchaser and (ii) agree, on behalf of the underwriters participating in the purchase of the Note, that the underwriters will neither offer nor sell the unsold portion of the Note to any person at a

price that is higher than the Initial Offering Price to the public during the period starting on the sale date and ending on the earlier of the following: (A) the close of the fifth (5th) business day after the sale date; or (B) the date on which the underwriters have sold at least 10% of the Note to the public at a price that is no higher than the Initial Offering Price to the public. The Purchaser shall promptly advise the School District when the underwriters have sold 10% of the Note to the public at a price that is no higher than the Initial Offering Price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

Bids will not be subject to cancellation in the event that the School District determines to apply the Hold the Offering Price Rule to the Note. Bidders should prepare their bids on the assumption that the Note will be subject to the Hold the Offering Price Rule in order to establish the issue price of the Note.

The School District acknowledges that, in making the representation set forth above, the Purchaser 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 Note 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 retail distribution agreement that was employed in connection with the initial sale of the Note to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the Hold the Offering Price Rule, as set forth in the retail distribution agreement and the related pricing wires. The School District 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 retail distribution agreement to comply with its corresponding agreement regarding the Hold the Offering Price Rule as applicable to the Note.

By submitting a bid, each Bidder confirms that (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Bidder is a party) relating to the initial sale of the Note to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold portion of the Note allotted to it until it is notified by Purchaser that the 10% Test has been satisfied as to the Note (B) comply with the Hold the Offering Price Rule, if applicable, in each case if and for so long as directed by the Purchaser and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Note to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Note to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold portion of the Note allotted to it until it is notified by the Purchaser or such underwriter that either the 10% Test has been satisfied as to the Note and (B) comply with the Hold the Offering Price Rule, if applicable, in each case if and for so long as directed by the Purchaser or such underwriter and as set forth in the related pricing wires.

A sale of the Note to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale, (i) "public" means any person other than an underwriter or a related party, (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the School District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Note 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 Note 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 Note to the public), (iii) a purchaser of a portion of the Note is a "related party" to an underwriter if the underwriter and the purchaser are

subject, directly or indirectly, to (A) 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), (B) 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 (C) 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 that the Note are awarded by the School District to the Purchaser.

Financial Advisor: First Tryon Advisors (“*First Tryon*”) has acted as financial advisor to the School District in connection with the issuance of the Note. In this capacity, First Tryon provided technical assistance in the preparation of the offering documents and assisted the School District in preparing for the sale of the Note.

DETAILS AS TO CLOSING

Closing: The School District shall furnish upon delivery of the Note the final approving opinion of Bond Counsel, which opinion shall be attached to the Note, together with the usual closing documents, including a certificate that no litigation is pending affecting the Note.

In addition, the Purchaser of the Note shall receive a certificate, dated the date of delivery of the Note, of the Superintendent of the School District stating that the Official Statement, as of its date, does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, and that there has been no material adverse change in the financial condition of the School District from that set forth in or contemplated by the Official Statement. In providing such certificate, the Superintendent will state that he has not undertaken to independently verify information pertaining to nongovernmental data and activities contained in the Official Statement, but that such information has been obtained from sources which the School District believes to be reliable and that the School District has no reason to believe that they are untrue in any material respect.

Delivery: The Note will be delivered under DTC’s Fast Automated Securities Transfer program to the Registrar/Paying Agent on behalf of DTC, on or about September 24, 2019, at the expense of the School District. The balance of the purchase price then due (including premium and accrued interest) must be paid in Federal funds or other immediately available funds.

CUSIP Numbers: It is anticipated that a CUSIP identification number will be printed on the Note, but neither the failure to print such number on the Note nor any error with respect thereto shall constitute cause for failure or refusal by the Bidder thereof to accept delivery of and pay for the Note in accordance with the terms of its proposal. All expenses in relation to the printing of CUSIP identification number on the Note shall be paid for by the School District; provided, however, that the CUSIP Service Bureau charge for the assignment of said number shall be the responsibility of and shall be paid for by the Purchaser.

Additional Information: Persons seeking information about the School District or seeking copies of the Preliminary Official Statement should contact David Cheatwood, Managing Director, First Tryon Advisors, 1355 Greenwood Cliff, Suite 400, Charlotte, North Carolina 28204 (telephone: 704-926-2447), email: dcheatwood@firsttryon.com, or Ray E. Jones, Esquire or Emily S. Luther, Esquire, Parker Poe Adams & Bernstein LLP, 1221 Main Street, Suite 1100, Columbia, South Carolina 29201 (telephone: 803-255-8000), e-mail rayjones@parkerpoe.com or emilyluther@parkerpoe.com.

EXHIBIT A
FORM OF CERTIFICATE AS TO ISSUE PRICE

[To be used if at least 3 Bids are Received
and the “Competitive Sale Requirements” Apply]

Spartanburg County School District Six, South Carolina (“School District”)

Parker Poe Adams & Bernstein LLP (“Bond Counsel”)

Re: \$24,000,000\ Spartanburg County School District Six, South Carolina
General Obligation Bond Anticipation Note, Series 2019

The undersigned, a duly authorized officer of _____ (the “Purchaser”), as the purchaser of the above-captioned obligations (the “Note”) issued by the School District, hereby represents and certifies on behalf of the Purchaser as follows in order to establish the “issue price” of the Note within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and certain other matters:

1. Reasonably Expected Initial Offering Prices.

- (a) As of the Sale Date (as defined herein), the reasonably expected offering price of the Note to the Public by the Purchaser is the price listed in Section 3 below (the “Expected Offering Prices”). The Expected Offering Price is the price for the Note used by the Purchaser in formulating its bid to purchase the Note. Attached hereto as Appendix A-1 is a true and correct copy of the bid submitted by the Purchaser to purchase the Note.
- (b) The Purchaser was not given an opportunity to review other bids prior to submitting its bid.
- (c) The bid submitted by the Purchaser constituted a firm offer to purchase the Note.
- (d) The Purchaser has an established industry reputation for underwriting new issuances of municipal bonds.

2. Defined Terms. When used in this Certificate as to Issue Price (this “Certificate”), the following terms have the following meanings:

- (a) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (b) “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of the Note. The Sale Date of the Note was [], 2019.
- (c) “*Underwriter*” as used herein means (i) any person that agrees pursuant to a written contract with the School District (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Note to the Public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in the preceding clause (i) of this paragraph to participate in the initial sale of the Note 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 Note to the Public).

3. Reoffering Price. The Purchaser has reoffered the Note to the public and reasonably expects to resell the Note at the initial reoffering prices set forth below:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>
\$	%	

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 Code and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the School District with respect to certain representations set forth in the School District's Tax Certificate and with respect to compliance with the federal tax rules affecting the Note, and by Bond Counsel in connection with rendering their opinions that interest on the Note 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 that Bond Counsel may give to the School District from time to time relating to the Note.

Dated: _____, 2019

[PURCHASER]

By: _____

Title: _____

Appendix A-1

Copy of Bid

EXHIBIT B

CERTIFICATE AS TO ISSUE PRICE

[To be used if fewer than 3 Bids are Received
and the “Competitive Sale Requirements” are not met]

Spartanburg County School District Six, South Carolina (“School District”)

Parker Poe Adams & Bernstein LLP (“Bond Counsel”)

Re: \$24,000,000 Spartanburg County School District Six, South Carolina

General Obligation Bond Anticipation Note, Series 2019The undersigned, a duly authorized officer of _____, as the purchaser (the “Purchaser”) of the above-captioned obligations (the “Note”) issued by the School District, represents and certifies, to establish the “issue price” of the Note within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and certain other matters, as follows:

[1. Sale of the Note (10% Test). As of the date of this Certificate as to Issue Price (this “Certificate”), first price at which at least 10% of the Note was sold to the public is the respective sale price listed below.]

[2. Initial Offering Price of the Note (Hold-the-Offering-Price Rule).

(a) The Purchaser offered the Note to the Public for purchase at the initial offering prices listed in below (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Note is attached to this Certificate as Schedule 1.

(b) As set forth in the Official Notice of Sale and bid award for the Note, the Purchaser has agreed (i) that it would neither offer nor sell any portion of the Note to any person at a price that is higher than the Initial Offering Price of the Note during the Holding Period (the “Hold-the-Offering-Price Rule”) and (ii) that 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. Pursuant to such agreement, no Underwriter (as defined herein) has offered or sold any portions of the Note at a price that is higher than the respective Initial Offering Price for the Note during the Holding Period.]

3. Defined Terms.

(c) *Holding Period* means 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 or (ii) the date on which the Purchaser has sold at least 10% of the Note to the Public at prices that are no higher than the Initial Offering Price for the Note.

(d) *[Reserved]*

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

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the Note. The Sale Date of the Note is [], 2019.

(g) *Underwriter* as used herein means (i) any person that agrees pursuant to a written contract with the School District (or with the lead Underwriter to form a syndicate) to participate in

the initial sale of the Note 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 Note 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 Note to the Public).

4. Reoffering Price. the Purchaser has reoffered the Note to the public and reasonably expects to resell the Note at the initial reoffering prices set forth below. The Note is [subject to the “Hold-the-Offering-Price Rule”] [subject to the 10% Test].

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>
\$	%	

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 Code and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the School District with respect to certain of the representations set forth in the School District’s Tax Certificate and with respect to compliance with the federal income tax rules affecting the Note, and by Bond Counsel in connection with rendering their opinions that the interest on the Note is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that Bond Counsel may give to the School District from time to time relating to the Note.

Signed this ____ day of August, 2019.

[Purchaser]

By: _____
Name: _____

Schedule 1

[Pricing Wire or Equivalent Communication]