

NOTICE OF BOND SALE

\$9,925,000*
Kansas Development Finance Authority
Revenue Bonds
Series 2020C
(Fort Hays State University Project)

Bids. Electronic bids for the purchase of the above-referenced series of bonds (the "Bonds") herein described will be received on behalf of the Kansas Development Finance Authority (the "Authority") via PARITY® on

TUESDAY, MARCH 17, 2020

(the "Sale Date") until the following time (the "Submittal Hour"):

9:30 a.m., Central Daylight Time

All bids will be evaluated at said place and time, and the award of the Bonds will be acted upon by the Authority immediately thereafter. No oral or hand-delivered bids will be considered. *Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Bonds.*

Terms of the Bonds.

General. The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the "Authorized Denomination"). The Bonds will be dated the date of initial delivery (the "Dated Date"). The Bonds will bear interest from the Dated Date at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on April 1 and October 1 in each year, beginning on October 1, 2020 (the "Interest Payment Dates").

Maturity Schedule. The Bonds will become due in principal installments on April 1 in the years as follows:

<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount*</u>
2021	\$380,000	2031	\$545,000
2022	395,000	2032	560,000
2023	410,000	2033	575,000
2024	425,000	2034	585,000
2025	445,000	2035	595,000
2026	460,000	2036	610,000
2027	480,000	2037	620,000
2028	500,000	2038	635,000
2029	520,000	2039	650,000
2030	535,000		

*Preliminary; subject to change.

Principal Amounts Subject to Change. The Authority reserves the right to modify the total amount of the Bonds and the amount of any maturity in order to obtain the necessary amount of bond proceeds, properly structure certain funds and accounts and obtain debt service subject to the revenue constraints of Fort Hays State University (the "University"). The modification will be based upon the interest rates, original issue discount, original issue premium and purchase prices submitted by the successful bidder. The successful bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Bonds or principal of any maturity as described herein. The principal amounts in this Notice of Bond Sale are calculated assuming a bid price of approximately 105.30%. The principal amount of the Bonds is likely to increase (decrease) if the successful bid price is less (greater) than 105.30%. Bidders should consider that bids generating significant premium (discount) may result in increased principal amortization in later (earlier) years. If there is an increase or decrease in the final aggregate principal amount of the Bonds or a change in the schedule of principal payments as described above, the Authority will notify the successful bidder by telephone or electronic transmission, no later than 11:30 a.m., Central Daylight Time, on the Sale Date. The Authority will calculate the actual purchase price for the Bonds in a way that will preserve the successful bidder's original spread included in its bid (computed as a percentage of the final adjusted aggregate principal amount of the Bonds).

Authority, Purpose and Security. The Bonds are being issued pursuant to the Bond Resolution and the Act for the purpose of financing a portion of the costs of a capital improvement project to construct and equip an addition to the Memorial Union (the "Project") located on the campus of the University and paying certain costs of issuance. The principal of, redemption premium, if any, and the interest on the Bonds shall be special limited obligations of the Authority payable solely and only from, and are secured as to the payment of principal of, redemption premium, if any, and interest on the Bonds by a pledge by the Authority of, the Trust Estate in favor of the owners of the Bonds, as provided in the Bond Resolution.

The Bonds and the interest thereon shall not be a debt or general obligation of the Authority, the Kansas Board of Regents (the "Board"), the State or any municipal corporation or political subdivision thereof, and neither the Bonds, the interest thereon, nor any judgment thereon or with respect thereto, are payable in any manner from unlimited tax revenues of any kind or character. The Bonds shall not constitute an indebtedness or a pledge of the faith and credit of the Authority, the Board, the State or any municipal corporation or political subdivision thereof, within the meaning of any constitutional or statutory limitation or restriction. The Authority has no taxing power.

Place of Payment. The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas, as paying agent and bond registrar (the "Paying Agent" and "Bond Registrar"). The principal of each Bond will be payable at maturity or earlier redemption to the owners thereof whose names are on the registration books (the "Bond Register") of the Bond Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date") as follows: (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

Bond Registration. The Bonds will be registered pursuant to a plan of registration approved by the Authority and the Attorney General of the State of Kansas. The Authority will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply

of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Registered Owners.

Book-Entry-Only System. The Authority is registered with the Depository Trust Company, New York, New York ("DTC") as a participant for book-entry transfers and pledges of securities deposited with DTC. The Bonds will initially be issued exclusively in "book entry" form and shall be initially registered in the name of CEDE & Co., as the nominee of DTC and no beneficial owner will receive certificates representing its interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the Authority will make payments of principal of, redemption premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, redemption premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The Authority will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that DTC does not continue to act as securities depository for the Bonds, and if the Authority fails to identify another qualified securities depository to replace DTC, the Authority will cause to be authenticated and delivered to the beneficial owners replacement Bonds in the form of fully registered certificates. Reference is made to the Preliminary Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

Redemption of Bonds Prior to Maturity.

Optional Redemption. The Bonds maturing in the years 2021 to 2028 inclusive, shall become due without option of prior payment. At the option of the Authority, upon instructions from the University, Bonds maturing in the year 2029 and thereafter, may be called for redemption and payment prior to maturity on April 1, 2028, or thereafter, in whole or in part (selection of Bonds to be designated by the Authority in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the date of redemption.

Extraordinary Optional Redemption. The Bonds shall be subject to redemption and payment prior to the stated maturity thereof (i) in the event of a Change of Circumstances, at the option of the Authority upon instructions from the University, or (ii) if an Event of Default under the Pledge of Revenues Agreement has occurred, at the option of the Authority with notice to the University, on any date, at the redemption price of 100% (expressed as a percentage of the principal amount) plus accrued interest thereon to the date of redemption, provided all of the Bonds are so redeemed and paid according to their terms.

Mandatory Redemption. A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds (the "Term Bonds") scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) all Bonds of the same serial maturity must be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable information on PARITY®.

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in Authorized Denominations. If less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds shall be redeemed in such equitable manner as the Authority shall determine. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it was a separate Bond of the denomination of \$5,000.

Notice and Effect of Call for Redemption. The Authority shall cause notice of the call for any redemption identifying the Bonds or portions thereof to be redeemed to be given by the Bond Registrar, in the name of the Authority, by mailing a copy of the redemption notice at least 20 days prior to the date fixed for redemption to the owner of each Bond. All notices of redemption shall state the date of redemption, the place or places at which such Bonds shall be presented for payment, the series, maturities and numbers of the Bonds or portions of Bonds to be redeemed and the principal amount thereof being redeemed, the redemption price, whether or not funds for the redemption are on deposit with the Paying Agent or the redemption is contingent upon the deposit of such funds, and a statement of the effect of the redemption. If any Bond is called for redemption and payment is made as aforesaid, all interest on such Bond shall cease from and after the specified redemption date, provided funds are available for its payment at the price hereinbefore specified.

Submission of Bids. Electronic bids must be submitted via PARITY® in accordance with its Rules of Participation, as well as the provisions of this Notice of Bond Sale. If provisions of this Notice of Bond Sale conflict with those of PARITY®, this Notice of Bond Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date. The Authority shall not be responsible for any failure, misdirection or error in the electronic transmission of any bidder.

PARITY®. Information about the electronic services of PARITY® may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

Pre-Bid Revisions. The Authority reserves the right to issue and disseminate a Supplemental Notice of Sale not later than 24 hours prior to the sale date.

Conditions of Bids. Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Bonds of the same maturity year; (b) no supplemental interest payments will be accepted; (c) for Bonds maturing on and after April 1, 2029, no maturity may be reoffered at a price of less than 97%; and (d) the aggregate reoffering price (calculated based upon the coupons and yields submitted by the successful bidder) for Bonds shall be no less than 97%.

Each bid shall specify the total bid price with respect to the Bonds (which shall include the discount, if any, and the premium, if any, offered by the bidder), the total interest cost (expressed in dollars) during the term of the Bonds on the basis of such bid, the net interest cost (expressed in dollars) on the basis of such bid and an estimate of the true interest cost expressed as an annual percentage ("TIC") on the basis of such bid. Each bidder shall certify to the Authority the correctness of the information submitted on PARITY®; the Authority will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Bonds, it will provide the initial offering prices and certification thereof as described under the caption "Establishment of Issue Price" in this Notice.

Good Faith Deposit. The successful bidder shall submit a good faith deposit (the "Deposit") in the amount of \$200,000, payable to the order of the Authority, to secure the Authority from any loss resulting from the failure of the bidder to comply with the terms of its bid. The Deposit ***must be received by the Authority prior to 1:30 p.m. Central Daylight Time on the Sale Date*** and may be in the form of:

- (a) a certified or cashier's check drawn on a bank located in the United States of America; or
- (b) a wire transfer in Federal Reserve funds, immediately available for use by the Authority (wire transfer information set forth below).

In the event the successful bidder fails to provide the Deposit in accordance with the preceding sentence, the Authority reserves the right to reject the successful bidder's bid.

Any Deposit sent to the Authority via wire transfer should be sent as follows:

Bank Name:	UMB Bank, N.A., Kansas City, Missouri
ABA Number:	101000695
Account Number:	9800006823
Account Name:	KDFA Custodial Account
Attention:	Jason McConnell (816-860-3027)

Contemporaneously with such wire transfer, the successful bidder shall send an e-mail to the Authority acknowledging such wire transfer to the attention of James MacMurray at jmacmurray@kdfa.org.

No interest on the Deposit will be paid by the Authority. The amount of the Deposit shall be applied to the purchase price of the Bonds. If a bid is accepted but the Authority fails to deliver the Bonds to the successful bidder in accordance with the terms and conditions of this Notice, the Deposit, or the proceeds thereof, will be returned to the successful bidder. If the successful bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of the Deposit will be retained by the Authority as and for liquidated damages.

Basis of Award. *The award of the Bonds will be made on the basis of the lowest TIC, which will be determined as follows:* the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds, as of the settlement date, produces an amount equal to the aggregate price bid, including adjustments for premium or discount, if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to supply an estimate of the TIC for the Bonds through PARITY®, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the bidder or the Authority. The Authority will compute TIC for each bid, based on the bid price and the interest rates specified, and the Authority's computation will be conclusive. If there is any discrepancy between the TIC specified by a bidder and the actual TIC computed by the Authority, the TIC computed by the Authority will govern, and the bidder will be bound by its specified bid price and interest rates. If two or more proper bids produce equal values for the lowest TIC, the Authority will determine in its discretion which bid, if any, will be accepted, and such determination will be final.

The Authority reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date may be rejected. Any disputes arising hereunder shall be governed by the laws of Kansas, and any party submitting a bid agrees to be subject to jurisdiction and venue of the Federal and State courts within Kansas with regard to such dispute. The Authority's acceptance, including electronic acceptance through PARITY®, of the successful bidder's proposal for the purchase of the Bonds shall constitute a contract between the Authority and the successful bidder for the purchase of the Bonds.

Optional Municipal Bond Insurance. The Authority has **not** applied for any policy of municipal bond insurance with respect to the Bonds. In the event a bidder desires to purchase and pay all costs associated with the issuance of a policy of municipal bond insurance in connection with the Bonds, such indication and the name of the desired insurer must be submitted through PARITY® and shall specify all terms and conditions to which the Authority will be required to agree in connection with the issuance of such insurance policy. The Authority specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Authority.

If the successful bidder elects to purchase the Bonds with municipal bond insurance, certain rating agencies will assign their ratings to the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by such

bond insurer. All costs associated with the purchase and issuance of a municipal bond insurance policy and any associated ratings and expenses (other than those related to an independent rating requested by the Authority) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

Bond Ratings. Moody's has assigned a rating of "A1" to the Bonds. Such rating is further described in the Preliminary Official Statement, hereinafter described.

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

Delivery and Payment. The Authority will pay for printing the Bonds and will deliver the Bonds properly prepared, executed and registered without cost to the successful bidder on or about **MARCH 31, 2020** (the "Issue Date"), to DTC for the account of the successful bidder. The successful bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents. Included within the closing documents will be certificates of the Authority, the Board and the University stating that there is no litigation affecting the validity of the Bonds pending or threatened at the time of delivery of the Bonds, and a certification from the University regarding continuing disclosure compliance during the previous five-year period, as well as certificates and opinions regarding the completeness and accuracy of the Official Statement (including certificates of the Authority and the University and an opinion of Bond Counsel regarding certain matters summarized in the Official Statement). Payment for the Bonds shall be made in Federal Reserve funds, immediately available for use by the Authority. The Authority will deliver one Bond of each maturity registered in the nominee name of DTC.

Establishment of Issue Price. The winning bidder shall assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, in a form satisfactory to the Authority and Bond Counsel.

The Authority 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:

- (a) the Authority shall disseminate this Notice of 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 Authority may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (d) the Authority anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost, as set forth in this Notice of Sale.

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

In the event that the competitive sale requirements are not satisfied, the Authority shall so advise the winning bidder. Bids will not be subject to cancellation in the event that the competitive sale requirements are not met. The winning bidder may determine to treat (a) the price or prices at which the first 10% of a maturity of the Bonds is sold to the public (the "10% Test") as the issue price of that maturity and/or (b) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the "Hold-The-Offering-Price Rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Authority, at the date and time of the award of the Bonds, (i) if any maturity of the Bonds satisfies the 10% Test as of such date and time and (ii) which maturities of the Bonds shall be subject to the 10% Test or shall be subject to the Hold-The-Offering-Price Rule.

By submitting a bid, the winning bidder shall (a) confirm that it and any other underwriters participating in the purchase of the Bonds have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (b) agree, on behalf of itself and any other underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the Hold-The-Offering-Price Rule shall apply 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:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) 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 offering price to the public.

The winning bidder shall promptly advise the Authority when the underwriters have sold 10% of that maturity of the Bonds to the public at a price or prices that are 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.

If the competitive sale requirements are not satisfied and the winning bidder elects to apply the 10% Test to one or more maturities of the Bonds (in lieu of the Hold-The-Offering-Price Rule), then until the 10% Test has been satisfied as to each such maturity of the Bonds, the winning bidder agrees to promptly report to the Authority the prices at which the unsold Bonds of that maturity have been sold to the public. As to each maturity of the Bonds to which the 10% Test will apply, (a) at or promptly after the award of the Bonds, the winning bidder shall report to the Authority the price at which it has sold to the public the Bonds of each such maturity sufficient to satisfy the 10% Test, and (b) if as of the award of the Bonds the 10% Test has not been satisfied as to any such maturity of the Bonds, the winning bidder agrees to promptly report to the Authority the prices at which it subsequently sells Bonds of that maturity to the public until the 10% Test is satisfied. The winning bidder's reporting obligation shall continue as set forth above, whether or not the Closing Date has occurred, provided that the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel.

To the extent the Authority advises the winning bidder that the competitive sale requirements are not satisfied and the winning bidder determines to apply the Hold-The-Offering-Price Rule, the Authority acknowledges that, in making the representation set forth above, the winning bidder may rely on (a) the agreement of each underwriter to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-The-Offering-Price Rule, as set forth in an agreement among underwriters and related pricing wires, (b) 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 requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-The-Offering-Price Rule, as set forth in a selling group agreement and the related pricing wires, (c) in the event that an underwriter or dealer 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 requirements for establishing the issue price of the Bonds, including, but not limited to, its 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 Authority further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with 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 requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-The-Offering-Price Rule as applicable to the Bonds.

By submitting a bid, each bidder confirms that: (a) it has an established industry reputation for underwriting new issuances of municipal bonds, (b) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial 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 (i) 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 winning 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, (ii) comply with the Hold-The-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (iii) promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (iv) acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public, and (c) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer 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 (i) 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 winning 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/or (ii) comply with the Hold-The-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter (each such term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (a) "public" means any person other than an underwriter or a related party;
- (b) "underwriter" means (i) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) 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 sales of the Bonds to the public);
- (c) 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

- (d) "sale date" means the date that the Bonds are awarded by the Authority to the winning bidder.

Preliminary Official Statement. The Authority has prepared a Preliminary Official Statement dated March 10, 2020 (the "Preliminary Official Statement") "deemed final" by the Authority or the University except for the omission of certain information as provided in Securities and Exchange Commission Rule 15c2-12, copies of which may be obtained in electronic format only from the Authority. Upon the sale of the Bonds, the Authority will adopt the final Official Statement and will furnish the successful bidder, within seven business days of the acceptance of such proposals, with a reasonable number of copies thereof in order to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and Rule G-32 of the Municipal Securities Rulemaking Board (jointly, the "Rules"). Additional copies may be ordered by the successful bidder at its expense. The Authority's acceptance of a successful bidder's proposal for the purchase of the Bonds shall constitute a contract between the Authority and the successful bidder for the purposes of the Rules.

Continuing Disclosure. The Securities and Exchange Commission (the "SEC") has promulgated amendments to its Rule 15c2-12 (the "Rule") requiring continuous secondary market disclosure for certain issues. In the Disclosure Undertaking, the University has covenanted to prepare annually certain financial information and operating data with respect to the University in substantially the format contained in *Appendices A* and *B* to the Preliminary Official Statement and to transmit such information to the Municipal Securities Rulemaking Board as necessary to comply with the Rule. These covenants are for the benefit of and are enforceable by the beneficial owners of the Bonds. For further information, reference is made to the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

Legal Opinion. The Bonds will be sold subject to the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which opinion will be furnished and paid for by the Authority, and will be delivered to the successful bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond Counsel relating to the exclusion of the interest on the Bonds from gross income for Federal income tax purposes and from computation of Kansas adjusted gross income. Reference is made to the Preliminary Official Statement for further discussion of Federal and Kansas income tax matters relating to the interest on the Bonds.

Additional Information. Additional information regarding the Bonds may be obtained from the Authority and the Financial Advisor as described below.

DATED: MARCH 10, 2020.

KANSAS DEVELOPMENT FINANCE AUTHORITY

By: Rebecca E. Floyd, President

Kansas Development Finance Authority

534 South Kansas Avenue, Suite 800

Topeka, Kansas 66603

Attn: James MacMurray, Senior VP of Finance

Telephone: (785) 357-4445, Ext. 304

Email: jmacmurray@kdfa.org

Financial Advisor:

Columbia Capital Management

6330 Lamar Avenue, Suite 200

Overland Park, Kansas 66202

Attn: Dennis Lloyd, Senior Consultant

Telephone: (913) 312-8050

Email: dlloyd@columbiacapital.com

or

Khalen Dwyer, Senior Vice President

Telephone: (913) 312-8068

Email: kdwyer@columbiacapital.com