

**NOTICE INVITING PROPOSALS FOR PURCHASE  
OF GENERAL OBLIGATION BONDS**

**\$20,000,000\***

**TUSTIN UNIFIED SCHOOL DISTRICT -  
GENERAL OBLIGATION BONDS OF SCHOOL FACILITIES  
IMPROVEMENT DISTRICT NO. 2012-1 OF THE  
TUSTIN UNIFIED SCHOOL DISTRICT, 2012 ELECTION, SERIES C  
(Orange County, California)**

(CURRENT INTEREST BONDS)

**NOTICE IS HEREBY GIVEN** that electronic unconditional proposals will be received to and including the hour of 9:00 a.m., Pacific Standard Time, on **January 25, 2023**, at the offices of Keygent LLC, 1730 East Holly Avenue, Suite 762, El Segundo, California 90245 (“Financial Advisor”), in the manner described below, for the purchase of all, but not less than all, of \$20,000,000\* principal amount of **Tustin Unified School District - General Obligation Bonds of School Facilities Improvement District No. 2012-1, 2012 Election, Series C** (Orange County, California) (“Bonds”). The Bonds will be issued only as current interest bonds, the interest on which is payable semiannually on each February 1 and August 1, commencing August 1, 2023. Proposals must be submitted electronically via **i-Deal LLC’s** (“i-Deal”) **Parity Electronic Bid Submission System** (“PARITY”), a division of Thomson Information Services, Inc., in the manner described below, for the purchase of all, but not less than all, of \$20,000,000\* principal amount of the Bonds. In the event that the sale has not been awarded by the designated time, bids will be received at a subsequent time and date to be determined by the Tustin Unified School District (“School District”) and publicized via *The Bond Buyer*, the *Bond Buyer Wire* and/or *Thomson Municipal Market Monitor* ([www.tm3.com](http://www.tm3.com)).

**I. Definitions:** Capitalized terms set forth below shall have the following meaning(s) for purposes of this Notice:

(a) **“Bonds”** means **Tustin Unified School District - General Obligation Bonds of School Facilities Improvement District No. 2012-1 of the Tustin Unified School District, 2012 Election, Series C**, as further described herein and in the Preliminary Official Statement, the interest on which accrues from the Dated Date and is payable semiannually on each February 1 and August 1 of each year commencing August 1, 2023.

(b) **“County”** means the County of Orange, a political subdivision of the State.

(c) **“Dated Date”** means the date of initial issuance and delivery of the Bonds, or such other date as shall appear in the Official Statement.

(d) **“Notice”** means this Notice Inviting Proposals for Purchase of General Obligation Bonds, dated January 18, 2023, and as such may be amended or supplemented as described herein.

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\* Preliminary, subject to change.

(e) **“Preliminary Official Statement”** means the Preliminary Official Statement for the Bonds as posted on the EMMA System (as described and defined herein).

(f) **“SFID No. 2012-1”** means School Facilities Improvement District No. 2012-1 of the Tustin Unified School District, a school facilities improvement district formed by the School District pursuant to the provisions of California Education Code Sections 15320 *et seq.*

(g) **“State”** means the State of California.

## **II. Issue:**

The Bonds will be dated the date of delivery thereof, will be in the denominations of \$5,000 principal amount each, or integral multiples thereof, and will bear interest from the date of delivery to the maturity of each of the Bonds at an interest rate such that the true interest cost (“TIC”) shall not exceed six percent 6.00%, with interest payable semiannually on February 1 and August 1 of each year during the term of each of the Bonds, commencing August 1, 2023. The Bonds shall be issued only as current interest bonds.

The Bonds will mature on August 1 in each of the years set forth in the following schedule:

<u>Maturity Date</u>	<u>Principal Amount</u> *	<u>Maturity Date</u>	<u>Principal Amount</u> *
2023	\$3,700,000	2028	\$790,000
2024	3,730,000	2029	870,000
2025	3,450,000	2030	955,000
2026	3,485,000	2031	1,050,000
2027	820,000	2032	1,150,000

**(The Bonds will be dated the Dated Date - expected to be February 8, 2023)**

## **III. Bidder’s Option to Designate Term Bonds:**

The purchaser may elect to combine any number of consecutive maturities of Bonds, for which an identical interest rate has been specified, to comprise term bonds by indicating such an election in their bid. The election to create term bonds in such manner will require the creation of a mandatory sinking fund so that the sinking fund redemption payments shall equal the corresponding serial bond maturity amounts.

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\* Preliminary – subject to change

**IV. Adjustment of Principal Amounts:**

The estimated principal amount of each maturity of the Bonds, set forth above, reflects certain assumptions of the School District and the Financial Advisor with respect to the likely interest rates of the winning bid or bids. Following the determination of the successful bidder, or bidders, the Financial Advisor, on behalf of the School District, reserves the right to alter the final maturity date, increase or decrease the principal amount of each maturity of the Bonds, in \$5,000 increments of principal amount, or eliminate maturities in their entirety. Such adjustment(s) shall be made within 26 hours of the bid opening and in the sole discretion of the School District, upon recommendation of the Financial Advisor. In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted and the successful bid or bids may not be withdrawn, and the successful bidder will not be permitted to change the interest rate(s) in its bid for the Bonds. The percentage compensation to be paid to the successful bidder will not change if the maturity schedule is adjusted.

**V. Interest Rates:**

All bids for the purchase of the Bonds must state the rate of interest to be paid for each maturity of Bonds offered and bid price for such Bonds. All Bonds of the same maturity must bear the same rate of interest and no Bond may bear more than one rate. The maximum interest rate bid for each maturity of the Bonds may not exceed six percent (6.00%), the TIC of the Bonds may not exceed six percent (6.00%), and the ratio of total debt service to principal amount of the Bonds may not exceed four to one (4:1). Bidders may specify any number of different rates to be borne on the Bonds; provided that a zero rate of interest cannot be specified. Interest will be computed on the basis of a 360-day year consisting of twelve, 30-day months.

**VI. Redemption:**

The Bonds are not subject to optional redemption prior to their respective stated maturity dates.

The Bonds may be designated for mandatory sinking fund redemption as set out in Section III hereof.

**VII. Notice of Redemption:**

Notice of redemption of any Bond will be mailed to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the registration records maintained by the Paying Agent (as defined herein); such mailing to be not more than 60 nor less than 20 days prior to the date set for redemption. Neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of Bonds.

**VIII. Initial Paying Agent:**

U.S. Bank Trust Company, National Association, will act as the initial paying agent for the Bonds ("Paying Agent").

**IX. Costs of Issuance:**

Costs of issuance of the Bonds, including, but not limited to, underwriting discount, will be paid by the District from the par amount of the Bonds. The District will contract with U.S. Bank Trust Company, National Association, to act as Costs of Issuance Custodian for purposes of paying all costs of issuance (exclusive of underwriting discount).

**X. Premium/Discount Bonds:**

The School District shall deposit all net premium generated upon the sale of the Bonds into the Debt Service Fund for the Bonds (as such term is defined in the Preliminary Official Statement) established for the Bonds, to be used to pay interest on the Bonds. Premium deposited into the Debt Service Fund shall not be used to pay principal of the Bonds.

Bidders may not bid a purchase price (calculated as principal plus premium minus the bidder's compensation) of more than 109.0% or less than 100.0% of the aggregate principal amount of the Bonds. This purchase price is net of purchaser's compensation and payment of costs of issuance. No bid shall provide for original issue premium, net of purchaser's compensation and costs of issuance which results in remaining original issue premium which exceeds interest due on the Bonds in the first 36 months from the Dated Date.

**XI. Registration of Bonds as to Principal and Interest and Place of Payment:**

The Bonds, when delivered at closing, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only, in the denominations of \$5,000 in Principal Amount, and integral multiples thereof. Purchasers will not receive physical certificates representing their interest in the Bonds purchased. Principal of and interest on the Bonds are payable in lawful money of the United States of America and will be paid to DTC which in turn will remit such amounts to the beneficial owners of the Bonds through DTC's Participants, as described in the Preliminary Official Statement.

**XII. Authority:**

The Bonds will be issued in accordance with the provisions of the California Constitution, the statutory authority set forth in Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the State of California Government Code, commencing with Section 53506 and pursuant to California Education Code Sections 15350, 15264, 15266(b), and, as applicable, the provisions of Title 1, Division 1, Part 10, Chapters 1 and 2 of the California Education Code, commencing with Section 15100.

The issuance of the Bonds was authorized by a greater than the required fifty-five percent (55%) affirmative vote of the qualified electors of the District voting at a special bond election held within the boundaries of School Facilities Improvement District No. 2012-1 of the Tustin Unified School District (SFID No. 2012-1) on November 6, 2012. Issuance and sale of the Bonds was authorized by a resolution adopted by the Board of Education of the District on November 14, 2022 ("Bond Resolution").

**XIII.           Security:**

Both the principal of and interest on the Bonds are payable solely from the proceeds of an *ad valorem* property tax levied, without limitation as to rate or amount, upon all of the property within the boundaries of SFID No. 2012-1 subject to taxation by the School District (except certain personal property which is taxable at limited rates). Pursuant to the provisions of State law, such *ad valorem* property taxes will be collected by the County Treasurer and Tax Collector's office, as further described within the Preliminary Official Statement. Tax revenues, when collected, will be deposited by the County into the Debt Service Fund, held by the County Treasurer, which Debt Service Fund is pledged for payment of principal and interest on the Bonds as required by State law.

**XIV.           Form of Bid:**

All bids must be submitted electronically via PARITY, pursuant to the procedures described below, and all such bids shall be deemed to constitute a Bid for Purchase of the Bonds and shall be deemed to incorporate by reference all of the terms and conditions of this Notice. The submission of a bid electronically via PARITY shall constitute and be deemed the bidder's signature on the Bid for Purchase of the Bonds.

Bids may only be submitted electronically as specified in this Notice. Bids submitted by other means will not be considered.

**XV.           Procedures Regarding Electronic Bidding:**

Bids must be submitted electronically via PARITY in accordance with this Notice Inviting Proposals for Purchase of Bonds, until 9:00 a.m., Pacific Daylight Time, on January 25, 2023, and no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice, the terms of this Notice shall control. For further information about PARITY, potential bidders may contact the School District's Financial Advisor, Chet Wang of Keygent LLC at (310) 322-4222 or chet.wang@keygentcorp.com, or PARITY at i-Deal at (212) 849-5021. In the event that a bid for the Bonds is submitted via PARITY, the bidder further agrees that:

- (a) Once the bids are communicated electronically via PARITY to the School District as described herein, each bid will constitute a Bid for Purchase of the Bonds and shall be deemed to be an irrevocable offer to purchase the Bonds on the terms provided in this Notice Inviting Proposals for Purchase of Bonds. If a bid submitted electronically via PARITY is accepted by the School District, the terms of the Bid for Purchase of the Bonds and the Notice and the information that is electronically transmitted through PARITY (including information about the purchase price of the Bonds, the coupon interest rate to be borne by the various maturities of the Bonds, the initial public offering price of each maturity and any other information included in such transmission) shall form a contract and the successful bidder shall be bound by the terms of such contract.
- (b) PARITY is not an agent of the School District, and the School District shall have no liability whatsoever based on any bidder's use of PARITY, including but not

limited to any failure by PARITY to correctly or timely transmit information provided by the School District or information provided by the bidder.

- (c) The School District may choose to discontinue use of electronic bidding via PARITY by issuing a notification to such effect via PARITY's internet site ([www.tm3.com](http://www.tm3.com)) no later than 1:00 P.M. (Pacific Time) on the last business day prior to the designated date of sale. In such case, a substitute bidding arrangement(s) will be described in an amended Notice.
- (d) For purposes of submitting all Bids for Purchase of the Bonds, the time as maintained on PARITY shall constitute the official time. No bid received after the deadline shall be considered. In any case, each bid must be in accordance with the terms and conditions set forth in this Notice.
- (e) Each bidder shall be solely responsible to make necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance with this Notice Inviting Proposals for Purchase of Bonds. Neither the School District nor i-Deal shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the School District nor i-Deal shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY. The School District is using PARITY as a communication mechanism, and not as the School District's agent, to conduct the electronic bidding for the Bonds.
- (f) The School District, 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 opened at the official time for receipt of bids.
- (g) By using PARITY, each bidder agrees to hold the School District harmless for any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the Bonds.

**XVI. Estimate of True Interest Cost:**

Bidders are requested (but are not required) to supply an estimate of the all in total true interest cost to the School District on the basis of their respective bids, which shall be considered as informative only and not binding on either the bidder or the Board of Education of the School District.

**XVII. Qualification for Sale; Blue Sky:**

The purchaser will assume responsibility for taking any action(s) necessary to qualify the Bonds for offer and sale in jurisdictions other than the State, and for complying with the laws of all jurisdictions on resale of the Bonds, and shall indemnify, defend and hold harmless the School District and its officers, and officials and consultants from any loss or damage resulting from any failure to comply with any such law. Compliance with Blue Sky Laws shall be the sole

responsibility of the purchaser, and the purchaser shall pay all fees and disbursements related to the qualification of the Bonds for sale under the securities or Blue Sky laws of various jurisdictions. The School District will furnish such information and take such action(s) not inconsistent with law as the purchaser may request and the School District shall deem necessary or appropriate to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the purchaser, provided, however, that the School District shall not execute a general or special consent to service of process or qualify to do business in connection with such qualification or determination in any jurisdiction. The purchaser shall not offer to sell, or solicit any offer to buy, the Bonds in any jurisdiction where it is unlawful for such purchaser to make such offer, solicitation or sale, and the purchaser shall comply with the Blue Sky and other securities laws and regulations of the states and jurisdictions.

**XVIII. Deposit:**

The successful bidder will be required to provide a good faith deposit (“Deposit”) in the form of a wire transfer made payable to Tustin Unified School District in the amount of \$100,000 prior to the official award of the Bonds.

The wire transfer must be transmitted in immediately available funds and sent to the account of the District at the County of Orange Treasurer and Tax Collector at the wire address specified in writing by the Financial Advisor with the following reference: **Tustin Unified School District 2012 Series C Good Faith Deposit**. The Financial Advisor will request the apparent winning bidder to immediately wire the Deposit and provide the Federal wire reference number of such Deposit to the Financial Advisor within 90 minutes of such request by the Financial Advisor. The Bonds will not be officially awarded to a bidder who has not submitted a Deposit in the form of a wire transfer, together with its Federal wire reference number, as provided above.

No interest on the Deposit will accrue to any bidder. The Deposit (without accruing interest) of the winning bidder will be applied to the purchase price of the Bonds. In the event the winning bidder fails to honor its accepted bid, the Deposit, plus any interest accrued on the Deposit, will be retained by the District. Any investment income earned on the Deposit will be paid to the successful bidder in the event the District is unable to deliver the Bonds. Deposits accompanying bids other than the bid which is accepted will be returned promptly upon the determination of the best bidder.

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

**XIX. Establishment of Issue Price:**

(a) The winning bidder shall assist the School District in establishing the issue price of the Bonds and shall execute and deliver to the School District no later than 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, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the School District and Bond Counsel, including, but not limited to, modifications in the event that the Competitive Sale Requirements (defined below) are not satisfied. All actions to be taken by the School District under this Notice to establish the issue price of the Bonds may be taken on behalf of the School District by the Financial Advisor and any notice or report to be provided to the School District may be provided to the Financial Advisor.

(b) The School District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “Competitive Sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Requirements”) because:

1. the School District shall disseminate this Notice to potential underwriters/purchasers in a manner that is reasonably designed to reach potential underwriters/purchasers;
2. all bidders shall have an equal opportunity to bid;
3. 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
4. the School District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest TIC), as set forth in this Notice.

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

(c) In the event that the Competitive Sale Requirements are not satisfied, the School District shall so advise the winning bidder. The School District may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% Test”) is sold to the public as the issue price of that maturity and/or (ii) 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 (and if different interest rates apply within a maturity, to each separate CUSIP® number within that maturity). The winning bidder shall advise the School District if any maturity of the Bonds satisfies the 10% Test as of the date and time of the award of the Bonds. The School District shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP® number within that maturity) of the Bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the School District determines to apply the hold-the-



offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriter(s)/purchaser(s) 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 (ii) agree, on behalf of the underwriter(s)/purchaser(s) participating in the purchase of the Bonds, that the underwriter(s)/purchaser(s) 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:

1. the close of the fifth (5<sup>th</sup>) business day after the sale date; or
2. the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the School District when the underwriter(s)/purchaser(s) have sold 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, if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the School District the prices at which the unsold Bonds of that maturity have 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 Bonds of that maturity or until all Bonds of that maturity have been sold.

(f) The School District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter/purchaser to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriter(s)/purchaser(s) and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The School District further acknowledges that each underwriter/purchaser shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter/purchaser shall be liable for the failure of any other underwriter/purchaser, 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 Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriter(s)/purchaser(s), any selling group agreement and each retail 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/purchaser, 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 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 and (B) 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, and (ii) any agreement among underwriter(s)/purchaser(s) 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/purchaser that is a party to a retail 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 retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter/purchaser that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter/purchaser and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a related party to an underwriter/purchaser shall not constitute sales to the public for purposes of this Notice. Further, for purposes of this Notice:

1. “public” means any person other than an underwriter/purchaser or a related party;
2. “underwriter/purchaser” 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 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);
3. 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) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership

(including direct ownership of the applicable stock or interests by one entity of the other); and

4. “sale date” means the date that the Bonds are awarded by the School District to the winning bidder.

**XX. Award:**

If the Bonds are awarded on the date of sale, the Bonds will be awarded to the responsible bidder submitting the best responsive bid, considering the coupon interest rate and the purchase price specified in the bid. The best bid will be the bid that conforms with the provisions of this Notice and represents the lowest TIC to the School District for the Bonds, taking into consideration the interest rate specified, and premium thereon, if any. The TIC is the discount rate that, when compounded semiannually and used to discount all debt service payments on the Bonds back to the date of delivery of such Bonds, results in an amount equal to the purchase price bid for said Bonds. In the event that two or more bidders offer bids for the Bonds at the same lowest TIC, the School District will determine by lottery which bidder will be awarded the Bonds. For the purpose of calculating the TIC, the mandatory sinking fund payments, if any, shall be treated as serial maturities in such years. The determination of the bid representing the lowest TIC will be made without regard to any adjustments made or contemplated to be made after the award by the Financial Advisor on behalf of the School District, as described herein under “Adjustment of Principal Amounts,” even if such adjustments have the effect of raising the TIC of the successful bid to a level higher than the bid containing the next lowest TIC prior to adjustment. The School District reserves the right to reject all bids submitted in its sole discretion.

**XXI. Prompt Award:**

The Superintendent (including any interim Superintendent or acting Superintendent), or Chief Financial Officer, of the School District, or their designee(s), will take action awarding the Bonds or rejecting all bids not later than twenty-six (26) hours after the expiration of the time herein prescribed for the receipt of bid proposals, unless such time of award is waived by the successful bidder. The award of bid is subject to the provisions of Section XVIII hereof. Notice of the award will be given promptly to the successful bidder.

**XXII. Delivery:**

Delivery of the Bonds will be made to the purchaser through DTC upon payment of the purchase price in federal funds payable to or for the account of the School District according to such wire or other delivery instructions as shall be provided by the School District or the Financial Advisor. The Closing will take place at the offices of Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, 20 Pacifica, Suite 1100, Irvine, California 92618, or at the purchaser’s request and expense, at any other place mutually agreeable to both the School District and the purchaser, expected to be on February 8, 2023 (the Dated Date).

**XXIII. CUSIP® Numbers and Other Fees:**

The Financial Advisor has applied for CUSIP® numbers and the CUSIP® numbers will be printed on the Bonds. The cost of printing thereof and service bureau assignment will be the School District’s responsibility. Any delay, error or omission with respect thereto will not

constitute cause for the successful bidder to refuse to accept delivery of and pay for the Bonds. The successful bidder shall be required to pay all fees required by The Depository Trust Company (DTC), Bond Market Association, Municipal Securities Rulemaking Board, and any other similar entity imposing a fee in connection with the issuance and delivery of the Bonds (see, “XXIV — Fees of the California Debt and Investment Advisory Commission” below).

**XXIV. Fees of the California Debt and Investment Advisory Commission:**

The successful bidder will be required, pursuant to State law, to pay any fees to the California Debt and Investment Advisory Commission (“CDIAC”). CDIAC will invoice the successful bidder after the closing of the Bonds.

**XXV. Supplemental Certificate of Successful Bidder:**

The successful bidder shall deliver to Bond Counsel, prior to the Dated Date, a completed and executed certificate in substantially the form attached hereto as Exhibit “B” and incorporated herein by this reference. **Completion, execution and delivery of this certificate by the purchaser, prior to Closing, is not optional.**

**XXVI. Legal Opinion:**

The Bonds are sold with the understanding that the purchaser will be furnished with the approving opinion of Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, Bond Counsel. A copy of the opinion will be attached to the Bonds. Said attorneys have been retained by the School District as Bond Counsel and in such capacity are to render their opinion only upon the legality of the Bonds under State law and on the exemption of the interest income on such Bonds from federal and State income taxes. Fees of Bond Counsel will be paid by the School District from the proceeds of the Bonds.

**XXVII. Tax-Exempt Status:**

In the opinion of Atkinson, Andelson, Loya, Ruud & Romo, A Professional Law Corporation, Irvine, California, Bond Counsel, subject, however, to certain qualifications described herein, under existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (“Code”). In the further opinion of Bond Counsel interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. For tax years beginning after December 31, 2022, interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. In the further opinion of Bond Counsel interest on the Bonds is exempt from personal income taxation imposed by the State of California Bond Counsel expresses no other opinion regarding or concerning any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. At any time before the Bonds are tendered for delivery, the successful bidder (purchaser) may disaffirm and withdraw its proposal without penalty if the interest received by private holders from Bonds of the same type and character as the Bonds shall be declared to be taxable income under present federal income tax laws, either by a ruling of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable, or be required to be taken into account in computing federal income taxes (except alternative minimum taxes payable

by corporations) by any federal income tax law enacted subsequent to the bid date.

**XXVIII. School District Deliveries at Closing:**

On the Closing Date (Dated Date) the School District shall deliver, or cause to be delivered, the following documents:

- (a) The School District will deliver a certificate stating that no litigation is pending affecting the issuance and sale of the Bonds.
- (b) The School District will deliver a tax/non-arbitrage certificate covering its reasonable expectations concerning the Bonds and the use of proceeds thereof.
- (c) The executed Official Statement Certification (see XXIX - Official Statement herein).
- (d) The executed Continuing Disclosure Agreement (see XXX - Continuing Disclosure herein).

**XXIX. Preliminary Official Statement; Official Statement:**

The School District will make available a Preliminary Official Statement, a copy of which, along with related documents, will be furnished upon request made to Keygent LLC, 1730 East Holly Avenue, Suite 762, El Segundo, California 90245, Attn: Chet Wang, chet.wang@keygentcorp.com, the School District's Financial Advisor, or telephone request to the Financial Advisor at (310) 322-4222. Such Preliminary Official Statement, together with any supplements thereto, shall be in a form "deemed final" by the School District for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final version thereof ("Official Statement").

Each bidder is responsible for reading the entire Preliminary Official Statement prior to bidding on the Bonds, to obtain information essential to the making of an informed decision to bid. This Notice contains certain information for general reference only, and is not a complete summary of the issue. The Internet posting of the Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the securities described in the Preliminary Official Statement, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Copies of the Official Statement will be made available to the purchaser without charge, up to an amount of 10 copies, within seven business days of the date of sale and additional copies will be made available upon request at the purchaser's expense.

The School District will deliver, at the closing, a certificate executed by an authorized officer of the School District, acting in their official capacity, to the effect that the Official Statement does not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

The School District undertakes that for a certain period of up to twenty-five (25) days following the end of the “underwriting period” as defined in Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934 (the “Rule”), it will (i) apprise the winning bidder if any event shall occur, or information comes to the attention of the School District that, in the reasonable judgment of the School District, is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (ii) if requested by the winning bidder, prepare a supplement to the final Official Statement with respect to such event or information. The School District will presume, unless notified in writing by the winning bidder, that the end of the underwriting period will occur on the date of the delivery of the Bonds. By making a bid on the Bonds, the successful bidder agrees (i) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any supplements prepared by the School District, and to file a copy of the final Official Statement, including any supplements prepared by the School District, with the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access (“EMMA”) system (as provided by the Rule) within one business day after receipt thereof from the School District or its designee, but in any event, no later than the date of closing and (ii) to take any and all other actions necessary to comply with the applicable rules of the Securities and Exchange Commission and the MSRB governing the offering, sale and delivery of the Bonds to the ultimate purchasers.

**XXX. Continuing Disclosure:**

In order to assist bidders in complying with the Rule, the School District will undertake, execute and deliver a Continuing Disclosure Agreement committing to provide certain annual financial information and notices of the occurrence of events listed therein. A description of this undertaking and a form of the Continuing Disclosure Agreement are included in the Preliminary Official Statement.

**XXXI. Ratings:**

Moody’s Investors Service has assigned to the Bonds the rating shown on the cover page of the Preliminary Official Statement. Such rating reflects only the view of such organization and an explanation of the significance of such rating may be obtained from such agency as follows: Moody’s Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, NY 10007. There is no assurance that such rating will continue for any given period of time or that such will not be revised downward or withdrawn entirely by such rating agency, if, in the judgment of such agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

**XXXII. Right to Cancel, Postpone, or Reschedule Sale:**

The School District reserves the right to cancel, postpone or reschedule the sale of the Bonds upon notice given through the *Bloomberg News Service*, *Thomson Municipal Market Monitor* ([www.tm3.com](http://www.tm3.com)) or *The Bond Buyer* not later than 1:00 p.m. (California time) on the day prior to the date bids are to be received. If the sale is postponed or rescheduled, bids will be received at the place set forth above, at the date and time as the School District shall determine in its sole discretion. Notice of the new sale date and time, if any, will be given through *Bloomberg*

*News Service, Thomson Municipal Market Monitor ([www.tm3.com](http://www.tm3.com)) or The Bond Buyer* no later than twenty-three (23) hours prior to the new time bids are to be received. As an accommodation to bidders, telephone or fax notice of the postponement of the sale date and of the new sale date will be given to any bidder requesting such notice from the Financial Advisor. Failure of any bidders to receive such notice shall not affect the legality of the sale.

**XXXIII. Additional Information:**

Copies of the Notice and the Preliminary Official Statement relating to the Bonds will be furnished to any bidder upon request made to Keygent LLC, 1730 East Holly, Suite 762, El Segundo, California 90245, Attn: Chet Wang, [chet.wang@keygentcorp.com](mailto:chet.wang@keygentcorp.com); (310) 322-4222, the Financial Advisor to the School District.

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Dated: January 18, 2023

TUSTIN UNIFIED SCHOOL DISTRICT

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

Title: Chief Financial Officer



**EXHIBIT “A”**

**\$20,000,000\***  
**TUSTIN UNIFIED SCHOOL DISTRICT -**  
**GENERAL OBLIGATION BONDS OF SCHOOL FACILITIES**  
**IMPROVEMENT DISTRICT NO. 2012-1 OF THE**  
**TUSTIN UNIFIED SCHOOL DISTRICT, 2012 ELECTION, SERIES C**  
**(Orange County, California)**

**CERTIFICATE OF THE PURCHASER**  
**(Issue Price)**

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

1. ***Reasonably Expected Initial Offering Price.***

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

(b) Purchaser was not given the opportunity to review other bids prior to submitting its bid.<sup>1</sup>

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

2. ***Defined Terms.***

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

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

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January 25, 2023.

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<sup>1</sup> Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

- (d) *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 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Tustin Unified School District (the "School District") with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the School District from time to time relating to the Bonds.

Dated: February \_\_\_\_, 2023

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

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

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

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

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**  
*(Attached)*

**SCHEDULE B**  
**COPY OF UNDERWRITER'S BID**

*(Attached)*

**EXHIBIT “B”**

**\$20,000,000\***

**TUSTIN UNIFIED SCHOOL DISTRICT -  
GENERAL OBLIGATION BONDS OF SCHOOL FACILITIES  
IMPROVEMENT DISTRICT NO. 2012-1 OF THE  
TUSTIN UNIFIED SCHOOL DISTRICT, 2012 ELECTION, SERIES C  
(Orange County, California)**

**SUPPLEMENTAL CERTIFICATE OF THE PURCHASER**

This certificate is being delivered by an authorized officer of \_\_\_\_\_ (“Purchaser”) in connection with the issuance of the \$20,000,000 Tustin Unified School District - General Obligation Bonds of School Facilities Improvement District No. 2012-1, 2012 Election, Series C (“Bonds”). The Purchaser hereby makes the representations, and provides the certifications, contained in this certificate based on the information available to it to the Tustin Unified School District (“School District”) and to Atkinson, Andelson, Loya, Ruud & Romo, a Professional Law Corporation, Bond Counsel to the School District, as follows:

1. Form of Continuing Disclosure Document Satisfactory

The Purchaser has reviewed the Continuing Disclosure Certificate (“Continuing Disclosure Certificate”) provided by the School District in connection with the Bonds (in the form set out in the Official Statement) and has reasonably determined that the School District’s undertaking to provide continuing disclosure with respect to the Bonds in the form of the Continuing Disclosure Certificate is sufficient to effect compliance with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended

2. No Financial Advisory Relationship

- (i) The Purchaser has, and has had, no financial advisory relationship with the School District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Purchaser has or has had any such financial advisory relationship, within the meaning of California Government Code Section 53590, or otherwise.
- (ii) In connection with the issuance, sale and delivery of the Bonds, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of the School District.
- (iii) The Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the School District with respect to (a) the offering of the Bonds or the process leading thereto (whether or not the Purchaser has advised or is currently advising the School District on other matters) or (b) any other obligation to the School District except the obligations expressly set forth in the

bid documents concerning the Bonds and the Purchaser's bid submitted for the Bonds.

3. Defined Terms

Capitalized terms used in this certificate, unless otherwise defined herein, shall have the meaning(s) given to such terms in the resolution of the Board of Education of the School District (Resolution No. 11-41-22) adopted on November 17, 2022 ("Bond Resolution").

Dated: February \_\_\_\_\_, 2023

\_\_\_\_\_

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

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