

## OFFICIAL BID FORM

September 8, 2016

Gadsden Independent School District No. 16  
c/o RBC Capital Markets  
6301 Uptown Blvd. NE, Suite 110  
Albuquerque, New Mexico 87110  
Attention: Secretary, Board of Education

Members of the Board:

Pursuant to your "Official Notice of Bond Sale" dated August 11, 2016, relating to the District's General Obligation School Bonds, Series 2016 ("Bonds") in the principal amount of \$9,500,000, which by reference is made a part hereof, we submit the following bid:

For your legally issued Bonds as described in said "Official Notice of Bond Sale," we will pay you par, plus accrued interest, if any, from the date of the Bonds to the date of delivery to us, plus a cash premium of \$\_\_\_\_\_ (not to exceed two percent (2%) of the par amount of the Bonds or \$190,000), provided the Bonds bear interest per annum as follows (the bonds mature on August 15 of each year):

<u>Maturing (August 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2017	\$ 220,000	____%	____%
2018	1,000,000	____%	____%
2019	1,000,000	____%	____%
2020	1,000,000	____%	____%
2021	1,050,000	____%	____%
2022	1,050,000	____%	____%
2023	1,050,000	____%	____%
2024	1,050,000	____%	____%
2025	1,050,000	____%	____%
2026	1,030,000	____%	____%

The successful bidder must send an electronic wire transfer to such account as the District shall specify in immediately available funds a good faith deposit of \$190,000. (If such wire transfer is not received from the successful bidder by 3:30 p.m., prevailing Mountain time on September 8, 2016, the next best bidder may be awarded the Bonds.) The amount of \$190,000, which deposit represents our good-faith deposit and is submitted in accordance with the terms set forth in the "Official Notice of Bond Sale." We will pay the CUSIP Service Bureau charge, if any, for the assignment of CUSIP numbers.

The undersigned agrees to complete, execute, and deliver to the District within two (2) business days from the date hereof a Certificate of Issue Price relating to the Bonds in the form in, and pursuant to, the Official Notice of Bond Sale.

We understand and agree that an electronic copy of the final Official Statement, including any amendments or supplements thereto will be supplied to us at the District's expense and that any additional copies requested will be subject to a charge to us. By accepting this bid, you agree to provide such copies of the final Official Statement and of any

amendments or supplements thereto in accordance with the Official Notice of Bond Sale, and you undertake your other obligations described therein, as contemplated by Rule 15c2-12 of the Securities and Exchange Commission.

Respectfully submitted,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Representative

\* (Strike inapplicable words)

For informational purposes only, our calculation of the True Interest Cost is as follows:

**True Interest Cost: (stated as a nominal annual percentage) \_\_\_\_\_%**

Additionally, for informational purposes only, the following is requested:

Gross Interest Cost: \$\_\_\_\_\_

Bond Insurance (if any) at Cost  
of Bidder: \_\_\_\_\_

Less Premium Bid: \$\_\_\_\_\_

Name of Company: \_\_\_\_\_

Net Interest Cost: \$\_\_\_\_\_

Insurance Premium: \$\_\_\_\_\_

Additional Rating (if any) at Cost  
of Bidder: \_\_\_\_\_

Name of Rating Agency: \_\_\_\_\_

#### ACCEPTANCE CLAUSE

The above bid is hereby in all things accepted by the Gadsden Independent School District No. 16, Doña Ana and Otero Counties, New Mexico, this 8<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
President, Board of Education  
Gadsden Independent School District No. 16

ATTEST:

\_\_\_\_\_  
Secretary, Board of Education  
Gadsden Independent School District No. 16

## CERTIFICATE OF ISSUE PRICE

The undersigned hereby certifies as follows with respect to the bid and purchase of the Gadsden Independent School District No. 16 General Obligation School Bonds, Series 2016 ("Bonds"):

1. The undersigned is the duly authorized representative of the purchaser ("Purchaser") of the Bonds from the Gadsden Independent School District No. 16 ("Issuer").

2. All of the Bonds have been offered to members of the public in a bona fide initial offering. For purposes of this Certificate, the term "public" does not include any bondhouses, brokers, dealers, and similar persons or organizations acting in the capacity of underwriters or wholesalers (including the Purchaser or members of the selling group or persons that are related to, or controlled by, or are acting on behalf of or as agents for the undersigned or members of the selling group).

3. Each maturity of the Bonds was offered to the public at a price which, on the date of such offering, was reasonably expected by the Purchaser to be equal to the fair market value of such maturity.

4. Other than the obligations set forth in paragraph 5 hereof ("Retained Maturity" or "Retained Maturities"), the first price/yield at which a substantial amount (i.e., at least ten (10) percent) of the principal amount of each maturity of the Bonds was sold to the public is set forth below.

<u>Year</u>	<u>Principal Amount</u>	<u>Yield or Price</u>
2017	\$ _____	____%
2018	_____	____%
2019	_____	____%
2020	_____	____%
2021	_____	____%
2022	_____	____%
2023	_____	____%
2024	_____	____%
2025	_____	____%
2026	_____	____%

5. In the case of the Retained Maturities, the Purchaser reasonably expected on the offering date to sell a substantial amount (i.e., at least ten (10) percent) of each Retained Maturity at the initial offering price/yield as set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Yield or Price</u>
2017	\$ _____	____%
2018	_____	____%
2019	_____	____%
2020	_____	____%

2021	_____	_____ %
2022	_____	_____ %
2023	_____	_____ %
2024	_____	_____ %
2025	_____	_____ %
2026	_____	_____ %

6. Please choose the appropriate statement:

( ) The Purchaser will not purchase bond insurance for the Bonds.

( ) The Purchaser will purchase bond insurance from \_\_\_\_\_ ("Insurer") for a fee/premium of \$\_\_\_\_\_ ("Fee"). The Fee is a reasonable amount payable solely for the transfer of credit risk for the payment of debt service on the Bonds and does not include any amount payable for a cost other than such guarantee, e.g., a credit rating or legal fees. The Purchaser represents that the present value of the Fee for each obligation constituting the Bonds to which such Fee is properly allocated and which are insured thereby is less than the present value of the interest reasonably expected to be saved as a result of the insurance on each obligation constituting the Bonds. The Fee has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. In determining present value for this purpose, the yield of the Bonds (determined with regard to the payment of the guarantee fee) has been used as the discount rate. No portion of the Fee is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such Fee that has not been earned.

7. The Purchaser understands that the statements made herein will be relied upon, by the Issuer in its effort to comply with the conditions imposed by the Internal Revenue Code of 1986, and by Bond Counsel in rendering their opinion that the interest on the Bonds is excludable from the gross income of the owners thereof.

EXECUTED and DELIVERED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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

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