

AMENDMENT TO OFFICIAL NOTICE OF SALE

\$140,000,000

EAST SIDE UNION HIGH SCHOOL DISTRICT
(Santa Clara County, California)
GENERAL OBLIGATION BONDS
2016 ELECTION, SERIES B

This **Amendment to the Official Notice of Sale** is dated April 8, 2019 and amends the Official Notice of Sale for the above-captioned bonds of the East Side Union High School District.

Purpose of the Amendment. This amendment corrects the maximum purchase price as shown in the section **Form of Bid; Minimum/Maximum Purchase Price** as shown below.

FORM OF BID; MINIMUM / MAXIMUM PURCHASE PRICE: Each proposal must be for not less than all of the Bonds hereby offered for sale. The purchase price for the Bonds shall be not less than 104% of the par amount thereof and be not more than 107.5% of the par amount thereof. Bidders should be aware that the required purchase price is net of purchaser's compensation, bond insurance premium (if bond insurance is obtained) and costs of issuance (as described below), which are required to be paid by the purchaser. No bid will be entertained which results in net original issue premium of more than 34 months' interest on the Bonds in accordance with applicable federal tax law requirements.

END OF AMENDMENT

OFFICIAL NOTICE OF SALE

\$140,000,000

EAST SIDE UNION HIGH SCHOOL DISTRICT
(Santa Clara County, California)
GENERAL OBLIGATION BONDS
2016 ELECTION, SERIES B

NOTICE IS HEREBY GIVEN by the Board of Trustees of the East Side Union High School District (the "District"), that bids will be received by a representative of the District for the purchase of \$140,000,000 principal amount of bonds of the District designated the "East Side Union High School District (Santa Clara County, California) General Obligation Bonds 2016 Election, Series B" (the "Bonds"). Bids will be received in electronic form via BiDCOMP™/Parity ("Parity") on

TUESDAY, APRIL 9, 2019

or, at the option of the District, on successive days thereafter until acceptance of a bid, in either case at 9:00 a.m. Pacific Time. The District reserves the right to postpone or change the sale date upon 24 hours notice as described below. The Bonds will be issued under the provisions of a Resolution adopted by the Board of Trustees of the District on March 7, 2019 (the "Bond Resolution"), and under the laws of the State of California. The Bonds are more particularly described in the proposed form of the Bond Resolution on file with the District (which is incorporated herein by reference) and copies thereof will be furnished to the bidder upon request.

Important Note: The District has designated a minimum and maximum purchase price at which the Bonds are to be sold, in addition to the payment of costs of issuance. See "TERMS OF SALE – Form of Bid; Minimum/Maximum Purchase Price" and "Payment of Issuance Costs" herein.

DESCRIPTION OF THE BONDS

PURPOSE: The proceeds of the Bonds will be applied by the District for the purpose of financing the acquisition and construction of educational facilities of the District, in accordance with the ballot proposition under which the issuance of the Bonds has been authorized.

ISSUE; BOOK-ENTRY FORM: The Bonds will be issued in the aggregate principal amount of \$140,000,000 in the form of fully registered Bonds without coupons. The Bonds will be dated as of their original delivery, and will be issued in minimum denominations of \$5,000. The Bonds will be issued in a book-entry only system with no physical distribution of the Bonds made to the public. The Depository Trust Company, New York, New York ("DTC"), will act as depository for the Bonds which will be immobilized in its custody. The Bonds will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Bonds.

MATURITIES: The Bonds will mature, or be subject to mandatory sinking fund redemption, on August 1 in each of the years, and in the amounts, as set forth in the following table. The final principal amount of the Bonds, and the final amount of each maturity of the Bonds, is subject to increase or decrease as described below under the heading “Adjustment of Principal Amounts”. *Each bidder must specify in its bid whether, for any particular year, the Bonds will mature or, alternately, be subject to mandatory sinking fund redemption in such year.*

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>
2020	\$ 5,800,000	2029	\$ 8,605,000
2021	3,400,000	2030	9,255,000
2022	4,200,000	2031	9,945,000
2023	4,720,000	2032	10,665,000
2024	5,280,000	2033	11,420,000
2025	5,875,000	2034	12,220,000
2026	6,515,000	2035	13,055,000
2027	7,195,000	2036	13,930,000
2028	7,920,000		

PAYMENT PROVISIONS: Interest on the Bonds will be payable on February 1, 2020, and on February 1 and August 1 in each year thereafter (the “Interest Payment Dates”), to the registered owners by check or draft of U.S. Bank National Association, as paying agent for the Bonds (the “Paying Agent”) or, in the case of the owner of Bonds in an aggregate principal amount of at least \$1,000,000, at the written request of such owner by wire transfer. Principal of the Bonds will be paid upon presentation and surrender thereof at the office of the Paying Agent. The principal of and interest on the Bonds are payable in lawful money of the United States of America.

OPTIONAL REDEMPTION: Bonds maturing on or before August 1, 2027, are not subject to redemption prior to their respective stated maturities. Bonds maturing on or after August 1, 2028, are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 2027, and on any date thereafter, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed together with accrued interest thereon to the date fixed for redemption, without premium.

SINKING FUND REDEMPTION: *Any bidder may, at its option, specify that one or more maturities of the Bonds will consist of term Bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof, as designated in the bid of such bidder.* If the bid of the successful bidder specifies that any maturity of Bonds will be term Bonds, such term Bonds will be subject to mandatory sinking fund redemption on August 1 in each year so designated in the bid, in the respective amounts for such years as set forth above under the heading “MATURITIES”, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without premium.

SECURITY: The Bonds are general obligations of the District, and the District will direct the appropriate officials of Santa Clara County (the "County") to levy *ad valorem* taxes for the payment of the principal of and interest on Bonds when due, without limitation as to rate or amount. Bidders are referred to the Preliminary Official Statement relating to the Bonds for further details regarding the security of the Bonds.

TAX-EXEMPT STATUS: In the opinion of Jones Hall, A Professional Law Corporation, bond counsel to the District, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal individual and corporate alternative minimum taxes, although it is included in certain income and earnings in computing the alternative minimum tax imposed on certain corporations. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. Bidders are referred to the Preliminary Official Statement for a description of the proposed opinion of Bond Counsel. If prior to the delivery of the Bonds either (a) the interest on other obligations of the same type and character shall be declared to be taxable (either at the time of such declaration or at any future date) under any federal income tax laws, either by the terms of such laws or by ruling of a federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any federal court, or (b) any federal income tax law is adopted which will have a substantial adverse effect upon owners of the Bonds as such, the successful bidder for the Bonds may, at its option, prior to the tender of the Bonds, be relieved of its obligation under the contract to purchase the Bonds.

LEGAL OPINION: The legal opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, approving the validity of the Bonds, will be furnished to the purchaser of the Bonds without cost. A copy of the legal opinion will be appended to each Bond. Bidders are referred to the Preliminary Official Statement relating to the Bonds for the proposed form of Bond Counsel's legal opinion.

FURTHER INFORMATION: A copy of the Preliminary Official Statement describing the Bonds, and any other information concerning the proposed financing, will be furnished upon request to the financial advisor to the District (the "Financial Advisor"), as follows: Dale Scott & Co., 650 California Street, Suite 2050, San Francisco, California 94108, tel: (415) 956-1030. Such information is also available on the website of the Financial Advisor at <http://www.dalescott.com/financings/>.

MUNICIPAL BOND INSURANCE; BIDDER'S OPTION: The District has applied to certain bond insurance companies for a commitment to issue a policy insuring the payment when due of principal of and interest on the Bonds. Information concerning the availability of municipal bond insurance may be also obtained by contacting the Financial Advisor as described above. In the event the District obtains a commitment for municipal bond insurance, each bidder has the option to elect whether such insurance will be issued. If the winning bidder elects to obtain any policy of municipal bond insurance, the premium for such insurance and the costs of any related ratings will be paid by the winning bidder, and the District will have no responsibility for payment of such premium and costs.

CERTIFICATE REGARDING MUNICIPAL BOND INSURANCE: If the winning bidder elects to obtain a policy of municipal bond insurance for the Bonds, the bidder will be required to execute and deliver to the District a certificate, in form and substance acceptable to bond counsel, stating that (a) the present value of the fees for the municipal bond insurance policy is less than the present value of expected interest savings as a result of the

insurance, determined by using the yield of the Bonds as the discount rate in computing present value; and (b) based on the experience of the purchaser in assisting issuers to obtain municipal bond insurance, the fees for the bond insurance policy do not exceed a reasonable arm's length charge for transfer of the credit risk represented by the insurance and do not include any payment for any direct or indirect services other than the transfer of credit risk.

TERMS OF SALE

RIGHT TO CANCEL, POSTPONE OR RESCHEDULE SALE: The District reserves the right to cancel, postpone or reschedule the sale of the Bonds upon notice published on the website of the Financial Advisor and through the TM3 system, not less than 24 hours before the time for receipt of bids. If the sale is postponed, bids will be received at the above place at such date and hour as set forth in the notice. Failure of any bidder to receive such notice or any other form of notice of canceled, postponed or rescheduled sale will not affect the legality or validity of any sale.

ELECTRONIC BIDS: The District will accept bids in electronic form through the Parity electronic bidding system. Each bidder submitting an electronic bid agrees by doing so that it is solely responsible for all arrangements with Parity and that Parity is not acting as an agent of the District. Instructions and forms for submitting electronic bids must be obtained from Parity, and the District assumes no responsibility for ensuring or verifying bidder compliance with Parity's procedures. The District will be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder. In order to be considered, a bid must be received no later than the date and time set for receipt of bids,

Neither the District, the County, the Financial Advisor nor Bond Counsel has any responsibility for proper functioning of the Parity system, 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. The District assumes no responsibility for informing any bidder prior to the deadline for receiving bids that its bid is incomplete, or not received.

FORM OF BID; MINIMUM / MAXIMUM PURCHASE PRICE: Each proposal must be for not less than all of the Bonds hereby offered for sale. The purchase price for the Bonds shall be not less than 104% of the par amount thereof and be not more than 106% of the par amount thereof. Bidders should be aware that the required purchase price is net of purchaser's compensation, bond insurance premium (if bond insurance is obtained) and costs of issuance (as described below), which are required to be paid by the purchaser. No bid will be entertained which results in net original issue premium of more than 34 months' interest on the Bonds in accordance with applicable federal tax law requirements.

The successful bidder will be required to pay directly to a cost of issuance custodian a portion of the original issue premium in order to provide for payment of the costs of issuing the Bonds, as described in the following paragraph.

PAYMENT OF ISSUANCE COSTS: The successful bidder will be required to pay \$300,000 of the costs of issuing the Bonds from underwriter's gross compensation at the time of delivery of the Bonds. This amount should not be added to the price paid for the Bonds. Payment of this amount is mandatory and is in addition to other items which are

required to be paid from original issue premium which is retained by the underwriter as described above. Therefore, bidders should include payment of such costs in calculating their bids. Such amount will be deposited with U.S. Bank National Association, as custodian, under a Costs of Issuance Custodian Agreement and will be disbursed by said custodian upon requisitions of the District.

DESIGNATION OF INTEREST RATES: Each bidder must specify the rate or rates of interest which the Bonds will bear. The maximum rate bid on any Bonds may not exceed 8% per annum. A bidder will be permitted to bid different rates of interest for each maturity of Bonds, but:

- each interest rate specified must be in a multiple of 1/20% or 1/8%;
- no Bond may bear more than one rate of interest; and
- interest on each Bond will be computed from the date of original delivery to its stated maturity at the interest rate specified in the proposal, payable on the Interest Payment Dates as set forth above.

STATEMENT OF TRUE INTEREST RATE: Each bidder is requested, but not required, to state in its proposal the percentage true interest rate represented by its proposal, determined as described above, which will be considered as informative only and not binding on either the bidder or the District.

DETERMINATION OF BEST BID: The Bonds will be awarded to the responsible bidder whose bid produces the lowest true interest rate on the Bonds. The true interest rate specified in any bid will be that rate which, when used in computing the present worth of all payments of principal and interest to be paid on all Bonds from the date of original delivery (which is assumed to be April 25, 2019) to their respective maturity dates or mandatory sinking fund redemption dates, produces an amount equal to the purchase price specified in such bid. For purposes of computing the true interest rate represented by any proposal, the purchase price specified in such proposal shall be equal to the par amount of the Bonds plus any premium specified in such proposal, and the true interest rate shall be calculated by the use of a semiannual interval of compounding interest based on the Interest Payment Dates for the Bonds.

ADJUSTMENT OF PRINCIPAL MATURITIES: The District reserves the right to increase or decrease the principal amount of any maturity of the Bonds (or, in the case of the term Bonds, the principal amount thereof which is subject to mandatory sinking fund redemption on August 1 in any year). The aggregate principal amount of the Bonds will be equal to \$140,000,000 under any circumstances. The District will give notice of any such adjustment to the successful bidder as soon as practicable following the notification of award. No such adjustment will alter the basis upon which the best bid is determined.

RIGHT OF REJECTION: The District reserves the right, in its discretion, to reject any and all bids and to the extent not prohibited by law to waive any irregularity or informality in any bid.

CANCELLATION OF SALE IF LESS THAN THREE BIDS OBTAINED: In the event that less than three bona fide bids are submitted for the purchase of the Bonds, all bids will be rejected and the sale of the Bonds pursuant to this Official Notice of Sale will be canceled.

PROMPT AWARD: A representative of the District has been authorized to accept the best responsible bid for the purchase of the Bonds and to accept such bid, for and in the name of the District, by notice to the successful bidder. If two or more bids setting forth identical interest rates and premium, if any, are received, such officer may exercise discretion and judgment in making the award and may award the Bonds on a pro rata basis in such denominations as he or she determines. Such authorized representative of the District may also reject any and all bids and waive any irregularity or informality in any bid. Sale of the Bonds will be awarded or all bids will be rejected not later than 24 hours after the expiration of the time prescribed for the receipt of proposals unless such time of award is waived by the successful bidder; provided, that the award may be made after the expiration of the specified time if the bidder does not notify the District in writing of the withdrawal of its proposal.

PLACE OF DELIVERY; CANCELLATION FOR LATE DELIVERY: It is expected that the Bonds will be delivered to DTC for the account of the successful bidder on April 25, 2019. The successful bidder has the right, at the successful bidder's option, to cancel the contract of purchase if the Bonds are not tendered for delivery within 60 days from the date of the sale thereof.

PAYMENT OF PURCHASE PRICE: The successful bidder will be required to pay the purchase price of the Bonds in funds which are immediately available to the Santa Clara County Treasurer-Tax Collector. Such payment shall be made on the date of original delivery of the Bonds by the District to DTC.

NO GOOD FAITH DEPOSIT: A good faith deposit is not required in connection with the sale of the Bonds.

NO LITIGATION: There is no litigation pending concerning the validity of the Bonds, the corporate existence of the District, or the entitlement of the District officers to their respective offices, and the purchaser will be furnished a no-litigation certificate certifying to the foregoing as of and at the time of delivery of the Bonds.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto will constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the District, except that the CUSIP Service Bureau charge for the assignment of said numbers will be the sole responsibility of and shall be paid for by the purchaser.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION FEES: All fees payable to the California Debt and Investment Advisory Commission in connection with the issuance of the Bonds are the sole responsibility of the purchaser of the Bonds.

ESTABLISHMENT OF ISSUE PRICE FOR THE BONDS: The issue price for the Bonds will be established based on the reasonably expected initial offering prices of the Bonds (the "Expected Offering Prices"), determined as of the date that the Bonds are awarded by the District to the successful bidder (the "Sale Date"). The Expected Offering Prices shall consist of the prices for each maturity of the Bonds used by the winning bidder in formulating its bid to purchase the Bonds. The winning bidder will be required to deliver

on the Closing Date a certificate to such effect, and provide to the District, in writing, the Expected Offering Prices as of the date on which the Bonds are sold. Such certificate and supporting documentation shall be in 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 District and Bond Counsel.

OFFICIAL STATEMENT: The District has approved a Preliminary Official Statement relating to the Bonds. Copies of such Preliminary Official Statement will be distributed to any bidder, upon request, prior to the sale in a form “deemed final” by the District for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). Within seven business days from the sale date, the District will deliver to the purchaser copies of the final Official Statement, executed by an authorized representative of the District and the District and dated the date of delivery thereof to the purchaser, in sufficient number to allow the purchaser to comply with paragraph (b)(4) of the Rule and to satisfy the Municipal Securities Rulemaking Board (the “MSRB”) Rule G-32 or any other rules adopted by the MSRB, which shall include information permitted to be omitted by paragraph (b)(1) of the Rule and such other amendments or supplements as are approved by the District (the “Final Official Statement”). The purchaser agrees that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Final Official Statement. The District will furnish to the successful bidder, at no charge, not more than 25 copies of the Official Statement for use in connection with any resale of the Bonds.

CERTIFICATE REGARDING OFFICIAL STATEMENT: A responsible officer of the District will certify to the original purchaser of the Bonds, as a condition of closing, that based on such officer’s participation in the preparation of the Official Statement, nothing has come to his or her attention to lead him or her to believe that the Official Statement (except for certain financial statements, statistical data and other information) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

DISCLOSURE COUNSEL OPINION: The firm of Jones Hall, A Professional Law Corporation, as Disclosure Counsel to the District, will provide a letter to the original purchaser of the Bonds regarding the Official Statement. Such letter will be to the effect that during the course of Disclosure Counsel’s work with regard to the Bonds, no facts have come to their attention that cause them to believe that the Official Statement (except for any financial and statistical data and forecasts, numbers, estimates, assumptions and expressions of opinion, and information concerning the Depository Trust Company and the book-entry system) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

CONTINUING DISCLOSURE. In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the District has committed to undertake, under the Bond Resolution and a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. Such Continuing Disclosure Certificate will be a document required to be delivered at closing by the District, and the failure by the District to deliver such document

in form and substance acceptable to Bond Counsel and the successful bidder will relieve the successful bidder of its obligation to purchase the Bonds.

GIVEN by order of the Board of Trustees of the East Side Union High School District by resolution adopted March 7, 2019.

EXHIBIT A

Form of Issue Price Certificate

EAST SIDE UNION HIGH SCHOOL DISTRICT
(Santa Clara County, California)
GENERAL OBLIGATION BONDS
2016 ELECTION, SERIES B

The undersigned, on behalf of [NAME OF PURCHASER] (“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 the 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 the Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

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

(c) The bid submitted by the 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 April 7, 2019.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District (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 the 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 District with respect to certain of the representations set forth in the Certificate of Arbitrage and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, A Professional Law Corporation 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 District from time to time relating to the Bonds.

[PURCHASER]

By:
Name:

Dated: [Issue Date]

[Attach Schedule A showing the maturity schedule for the Bonds and including the Initial Offering Price for each maturity.]