

## OFFICIAL NOTICE OF SALE

### SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA \$115,000,000\* TAX ANTICIPATION NOTES, SERIES 2011

The School Board of Palm Beach County, Florida (the "Board"), the governing body of the School District of Palm Beach County, Florida (the "District"), invites electronic bids via Parity®, subject to the terms and conditions hereof, for the purchase of all and not less than all of the District's \$115,000,000\* Tax Anticipation Notes, Series 2011 (the "Notes"). As used herein, the term "bidder" may include a group of bidders who may act through a representative or representatives.

**GENERAL TERMS.** The Notes will be dated September 29, 2011, and will mature on January 26, 2012. The Notes will bear interest at the rate to be designated by the Successful Bidder (as defined below). The Notes are not subject to redemption prior to their stated maturity. The Notes are being issued to provide interim funds for the payment of operating expenses of the District for its fiscal year commencing July 1, 2011 and ending June 30, 2012 (the "Current Fiscal Year") and to pay expenses incurred in issuing the Notes, as more fully described in the Preliminary Official Statement for the Notes under the caption "PURPOSE OF THE NOTES."

**TERMS OF BIDS.** Each bid must specify a single uniform interest rate per annum from the dated date to maturity which shall be expressed as an integral multiple of one-eighth ( $1/8^{\text{th}}$ ) or one twentieth ( $1/20^{\text{th}}$ ) of one percent. Each bid must be for all and not less than all of the Notes issued. No bid for less than 100% of the principal amount of Notes plus accrued interest, if any, from September 29, 2011 will be considered. Premiums may be bid. All bids must be unconditional and submitted **electronically via Parity®** in accordance with this Official Notice of Sale. Only bids submitted through Parity will be considered. No facsimile, personal delivery bids, or bids delivered by any other method will be accepted.

**BASIS OF AWARD.** The award, if any, will be made to the bidder (the "Successful Bidder") whose bid results in the lowest net interest cost determined by deduction of any premium from the total interest on all of the Notes from September 29, 2011 to January 26, 2012, calculated on the basis of a 360-day year comprised of twelve 30-day months, and who otherwise meets and satisfies the terms and conditions of this Official Notice of Sale. If two or more bids provide the lowest net interest cost, the District shall determine by lot which bid shall be accepted, and such determination shall be final. The District reserves the right to waive any informality or irregularity in any bid and to reject any and all bids.

**RECEIPT OF BIDS.** Sealed bids for the Notes will be received electronically via Parity until 11:00 A.M., Eastern Time, on September 21, 2011 (or on such later date as may be established by the District and communicated through Thomson Municipal Market Monitor not less than twenty-four (24) hours prior to the time the bids are to be received).

To the extent any instructions or directions set forth on Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about Parity, potential bidders may contact I-Deal LLC at 1359 Broadway, 2<sup>nd</sup> Floor, New York, NY 10018, or telephone (212) 849-5021. The use of Parity shall be at the bidder's risk and expense, and the District shall have no liability with respect thereto. Only bids submitted

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\* Preliminary, subject to change

through Parity will be considered. No telephone, facsimile, mail, courier delivery or personal delivery bids will be accepted. To participate, bidders must be a contracted customer of the BiDCOMP Competitive Bidding System (the "System"). If the prospective bidder does not have a contract with the System, call (212) 849-5021 to become a customer and to obtain a list of the bidding rules and procedures.

**GOOD FAITH DEPOSIT.** The Successful Bidder is required to submit a good faith deposit (the "Deposit") in the form of a wire transfer to the School District of Palm Beach County, Florida in the amount of one percent (1%) of the principal amount of the Notes to be purchased by the Successful Bidder, by 3:00 P.M. Eastern Time on the day the Notes are awarded, as instructed by the District or its financial advisor.

The Deposit of the Successful Bidder will be retained and deposited with the District until the delivery of the Notes, at which time the Deposit will be applied against the purchase price of the Notes. No interest on the Deposit will accrue to the Successful Bidder. In the event the Successful Bidder fails to honor its accepted bid, the Deposit will be retained by the District as liquidated damages. In the event that the District fails to deliver the Notes to the Successful Bidder, the Deposit shall be immediately delivered by the District to the Successful Bidder and none of the Successful Bidder, the District or any other party shall have any further obligation with respect to the Notes.

**AUTHORIZATION, SECURITY AND SOURCE OF PAYMENT FOR THE NOTES.** The Notes are authorized pursuant to the terms of a resolution duly adopted by the Board on August 10, 2011, as the same may be supplemented or amended (the "Resolution"), and pursuant to the authority of Section 1011.13, Florida Statutes, as amended. The Notes and the interest thereon are special, limited obligations of the District payable from and secured by a lien upon and pledge of the ad valorem taxes collected for the benefit of the District during the Current Fiscal Year, for operating purposes, excluding ad valorem taxes collected for other purposes, and amounts on deposit in the Sinking Fund created by the Resolution for the Notes (collectively, the "Pledged Funds"), all in the manner and to the extent described in the Resolution.

None of the District, Palm Beach County, Florida (the "County"), the State of Florida (the "State"), or any political subdivision thereof will be obligated to pay, except as described above, any sums due on the Notes from any source of taxation, and the full faith and credit of the District, the County, the State, or any political subdivision thereof is not pledged for the payment of such sums due and such sums do not constitute an indebtedness of the District, the County, the State, or any political subdivision thereof within the meaning of any constitutional or statutory provision or limitation.

**DISCLOSURE OBLIGATIONS OF THE PURCHASER.** Section 218.38(b)1, Florida Statutes, requires that the District file, within 120 days after delivery of the Notes, an information statement with the Division of Bond Finance of the State Board of Administration of the State of Florida (the "Division") containing the following information: (a) the name and address of the managing underwriter, if any, connected with the Notes; (b) the name and address of any attorney or financial consultant who advised the District with respect to the Notes; (c) any fee, bonus or gratuity paid by any underwriter or financial consultant in connection with the Notes to any person not regularly employed or engaged by such underwriter or consultant; and (d) any other fee paid by the District with respect to the Notes, including any fee paid to attorneys or financial consultants. The Successful Bidder will be required to deliver to the District on the date of delivery of the Notes a statement signed by an authorized officer containing the information mentioned in (a) and (c) above with respect to any payment made by the Successful Bidder and to file any disclosure information required by law to be submitted by the Successful Bidder to the Division.

**TRUTH IN BONDING STATEMENT.** The Successful Bidder will be required to fill out a Truth in Bonding Statement, in the form attached hereto, stating the amount of the total interest to be paid over the life of the Notes, among other matters.

**DELIVERY.** Delivery of the Notes will be made through the facilities of The Depository Trust Company (“DTC”) in New York, New York on or about September 29, 2011, against payment thereof in immediately available funds without cost to and to the order of the District.

**PURCHASER’S CERTIFICATION REGARDING INITIAL OFFERING PRICE.** In order to provide the District with information required to enable it to comply with certain requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Notes from the gross income of the holders thereof for federal income tax purposes, the Successful Bidder will be required to complete, execute and deliver to the District (on the date of delivery of the Notes) a certificate relating to the manner in which the Notes were offered for sale and the offering price for such Notes, substantially in the form attached hereto. In the event the Successful Bidder will not reoffer the Notes for sale or is unable to sell a substantial amount of the Notes by the date of delivery, such certificate may be modified in a manner approved by the District and Greenberg Traurig, P.A., Miami, Florida, Note Counsel to the District. It will be the responsibility of the Successful Bidder to institute such syndicate or selling group reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty.

**LEGAL OPINION AND CLOSING CERTIFICATES.** At the time of delivery of the Notes, the District will deliver to the Successful Bidder, at the expense of the District, the approving opinion of Greenberg Traurig, P.A., Miami, Florida, Note Counsel, in substantially the form appearing as Appendix D to the Official Statement, a no-litigation certificate and other customary closing certificates relating to the issuance of the Notes.

**OFFICIAL STATEMENT.** The delivery of the Preliminary Official Statement has been duly authorized by the Board. The Preliminary Official Statement, copies of which may be obtained as described below, is in a form “deemed final” by the District for purposes of Securities and Exchange Commission Rule 15c2-12 (the “Rule”) but is subject to revision, amendment and completion in accordance with the rule in the final Official Statement. After the sale of the Notes, the District will prepare a final Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Official Statement. The District expects the Successful Bidder to deliver copies of such Official Statement to persons to whom such Bidder initially sells the Notes, to all other members of its bidding syndicate, to the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”) no later than ten (10) business following the date of the award, and to such other parties as required by applicable securities law. The Successful Bidder will be required to acknowledge receipt of such Official Statement, to certify that it has made delivery of the Official Statement in accordance with applicable securities laws and to acknowledge that the District expects the Successful Bidder to deliver copies of such Official Statement to persons to whom such Successful Bidder initially sells the Notes and to all other members of its bidding syndicate and to EMMA. The Successful Bidder shall also be responsible for compliance with the provisions of the Rule with respect to delivery of copies of the Official Statement to potential customers during the underwriting period. The Successful Bidder will be responsible to the District in all respects for the accuracy and completeness of information provided by such Successful Bidder with respect to such offering.

Up to 50 copies of the final Official Statement will be provided to the Successful Bidder at the expense of the District within seven (7) business days of the award of the Notes. Additional copies, if needed, will be furnished at the expense of the Successful Bidder.

**CONTINUING DISCLOSURE.** The District will agree in the resolution authorizing the issuance of the Notes, to provide or cause to be provided, in accordance with the requirements of the Rule, timely notice of the occurrence of certain material events with respect to the Notes.

The Successful Bidder's obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, in form and substance reasonably satisfactory to the Successful Bidder, evidence that the District has made the continuing disclosure undertaking set forth above in a written certificate for the benefit of the holders of the Notes.

**BOOK-ENTRY SYSTEM AND CUSIP NUMBERS.** The Notes will be issued in fully registered form, without coupons. One Note certificate in the aggregate principal amount of the Notes will be issued to and registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Notes, and immobilized in the custody of DTC which will act as securities depository for the Notes. A book-entry only system will be employed by DTC, evidencing beneficial ownership interests in the Notes in principal amounts of \$5,000 or any integral multiple thereof, with transfers of beneficial ownership interests in the Notes effected only through the records of DTC and its participants and indirect participants pursuant to the rules and procedures established by DTC.

It is anticipated that CUSIP identification numbers will be printed on the Notes, but neither the failure to print such numbers on the Notes 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 Notes in accordance with their agreement to purchase the Notes. It is the responsibility of the Successful Bidder to timely obtain and pay for the assignment of such CUSIP numbers.

**ADDITIONAL INFORMATION.** Copies of the Preliminary Official Statement, the form of Truth-In-Bonding Statement and the form of Certificate with Respect to Issue Price and other information may be obtained electronically from [www.i-Dealprospectus.com](http://www.i-Dealprospectus.com), or from the District's Financial Advisor, Public Financial Management, Inc., 300 South Orange Avenue, Suite 1170, Orlando, Florida 32801, Telephone: (407) 648-2208, Facsimile: (407) 648-1323, E-mail: [wilderb@pfm.com](mailto:wilderb@pfm.com).

**SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA**

By: /s/ Leanne Evans  
Leanne Evans, Treasurer

Dated: September 8, 2011

**TRUTH-IN-BONDING STATEMENT**

**SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA  
\$115,000,000 TAX ANTICIPATION NOTES, SERIES 2011**

The School District of Palm Beach County, Florida (the "District") is proposing to issue \$115,000,000 Tax Anticipation Notes, Series 2011 (the "Notes") to provide interim funds for the payment of operating expenses of the District for its fiscal year commencing July 1, 2011 and ending June 30, 2012 (the "Current Fiscal Year") and to pay expenses incurred in issuing the Notes, as more fully described in the Preliminary Official Statement for the Notes under the caption "PURPOSE OF THE NOTES."

The Notes are expected to be repaid over a period of \_\_\_\_ days. At an interest rate of \_\_\_\_% (insert interest rate), total interest paid over the life of the Notes will be \$ \_\_\_\_\_ (insert interest payment at maturity).

The source of repayment or security for the Notes is the ad valorem tax payments collected for operating purposes of the District during its Current Fiscal Year, excluding ad valorem taxes collected for other purposes, all as more specifically set forth in the Official Notice of Sale. Authorizing this debt or obligation will result in \$ \_\_\_\_\_ (insert combined principal and interest payment at maturity) of such revenues not being available for other services or purposes of the District during its Current Fiscal Year.

The foregoing Truth-in-Bonding Statement is prepared pursuant to Section 218.385(2) and (3), Florida Statutes, for informational purposes only and shall not affect or control the actual terms and conditions of the Notes.

Dated: \_\_\_\_\_, 2011

[UNDERWRITER]

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

**CERTIFICATE WITH RESPECT TO “ISSUE PRICE”**

[UNDERWRITER], acting on behalf of itself and the syndicate/selling group, if any, created by it as purchaser (the “Purchaser”) of the \$115,000,000 Tax Anticipation Notes, Series 2011 (the “Notes”) of the School District of Palm Beach County, Florida (the “District”), in order to establish the initial offering price(s) of the Notes for the purpose of determining the “issue price” of the Notes within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, DOES HEREBY CERTIFY, as follows:

1. The Purchaser, as of the date the Notes were awarded to the Purchaser, (a) made a bona fide public offering of the Notes to the General Public at a price equal to \$\_\_\_\_\_ (the “Public Offering Price”), and (b) sold at least 10% of such Notes for cash or to the extent not so sold, reasonably expected, as of the date the Notes were awarded to the Purchaser, to sell such Notes for cash to the General Public at the Public Offering Price.
2. The Purchaser retained and did not reoffer \$\_\_\_\_\_ principal amount of the Notes.
3. The Public Offering Price (with respect to any principal amount of the Notes that was not reoffered, the price bid by the Purchaser to the District) does not exceed the fair market value of the Notes as of the date the Notes were awarded to the Purchaser.
4. For the purpose of this certificate, “General Public” means the general public excluding bond houses, brokers and other intermediaries.

Dated: September 29, 2011

[UNDERWRITER]

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