

NOTICE OF SALE

**CITY SCHOOL DISTRICT OF THE CITY OF NEW ROCHELLE
WESTCHESTER COUNTY, NEW YORK**

**\$54,325,000
BOND ANTICIPATION NOTES, 2018 SERIES A
(NONBANK QUALIFIED)**

(the "Notes")

SALE DATE: June 27, 2018 TELEPHONE: (845) 227-8678
TIME: 11:00 A.M. FACSIMILE: (845) 227-6154
(Prevailing Time)
PLACE OF SALE: Capital Markets Advisors, LLC
1075 Rt. 82 – Suite 4
Hopewell Junction, New York 12533
DATE OF NOTES: July 12, 2018
MATURITY DATE: July 12, 2019

Sealed proposals will be received and considered by the undersigned President of the Board of Education of the City School District of the City of New Rochelle, Westchester County, New York (the "District"), at the offices of Capital Markets Advisors, LLC, 1075 Route 82 – Suite 4, Hopewell Junction, New York 12533, until 11:00 A.M., Prevailing Time on the 27th day of June 2018, for the purchase of \$54,325,000 Bond Anticipation Notes, 2018 Series A (the "Notes") dated July 12, 2018 and maturing, without the right of prior redemption, on July 12, 2019 with interest thereon payable at maturity. Telephone and fax bids will be accepted. The telephone number is (845) 227-8678 while the fax number is (845) 227-6154.

Please note that the timely delivery of such proposals in legible and complete form, signed by an authorized representative of the bidder(s), shall be solely the responsibility of the bidder(s). The District shall not be responsible for any errors and/or delays in transmission and/or receipt of bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

The purchaser(s) shall have the option of having the Notes issued in either non book-entry or book-entry-only form. The purchaser(s) must notify Bond Counsel by 2:00 P.M., Prevailing Time, on the date of sale whether the Notes will be issued in non book-entry form or book-entry-only form.

If the Notes are issued in non book-entry form, a single note will be issued in registered form. Principal of and interest on the Notes will be payable in lawful money of the United States (Federal Funds) to the registered purchaser(s).

If the Notes are issued in book-entry-only form, the Notes will be (i) registered in the name of Cede & Co., as partnership nominee of The Depository Trust Company, New York, New York ("DTC"), and (ii) deposited with DTC to be held in trust until maturity. DTC is an automated depository for securities and a clearinghouse for securities transactions, and will be responsible for establishing and maintaining a book-entry-only system for recording the ownership interests of its participants, which include certain banks, trust companies and securities dealers, and the transfer of the interests among its participants. The DTC participants will be responsible for establishing and maintaining records with respect to the Notes. Individual purchases of beneficial ownership interests in the Notes may be made only through book entries made on the books and records of DTC (or a successor depository) and its participants. Principal of and interest on the Notes will be payable by the District to DTC or its partnership nominee as registered owner of the Notes. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

The Notes are general obligations of the District and the faith and credit of the District are pledged for the payment of the principal of and interest on the Notes. All the taxable real property in the District will be subject to the levy of ad valorem taxes, without limitation as to rate or amount, sufficient to pay the principal of and interest on the Notes.

THE NOTES WILL NOT WILL BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” UNDER SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

Bids may be made for all or a portion of the Notes (\$1,000,000 minimum bid) and state a rate of interest in a multiple of 1/100 or 1/8 of one per centum per annum which such Notes shall bear. Interest will be calculated on the basis of a 30-day month and 360-day year. The Notes will not be subject to prior redemption.

The Notes will be awarded to the bidder(s) offering the lowest net interest cost (that being the rate of interest which will provide the lowest interest cost over the life of the Notes after accounting for the premium, if any); provided, however, that if two or more bidders offer to purchase said Notes at the same lowest net interest cost, then such award will be made first on the basis of the greatest minimum bid offered, and if two or more purchasers offer the same minimum bid, then to the bidder offering the greatest premium, and, if two or more bidders offer the same premium, then such award will be made to such bidder selected by lot from among said bidders. The right is also reserved to reject any or all bids and any bid not complying with the terms of this notice will be rejected. All conditional bids will be rejected.

The Notes will be delivered in book-entry-only form in Jersey City, New Jersey, through the facilities of DTC or otherwise as may be agreed with the purchaser(s) at the option of the purchaser(s), in non book-entry form, on July 12, 2018. At such time, the purchase price of the Notes, in accordance with the successful purchaser’s bid, shall be paid in FEDERAL FUNDS or other funds available for immediate credit.

CUSIP identification numbers may be printed on the Notes if the purchaser(s) provide(s) Bond Counsel with such numbers by telefax or any other mode of written communication (verbal advice will not be accepted) by 3:00 P.M., prevailing time, on the day following the sale of the Notes but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser(s) thereof to accept delivery of and pay for the Notes in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the District; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser(s).

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirements”). The District’s Municipal Advisor will advise the winning bidder if the Competitive Sale Requirements were met at the same time it notifies the winning bidder of the award of the Notes. Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.

The winning bidder shall, within one (1) hour after being notified of the award of the Notes, advise the District’s Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Notes (the “Initial Reoffering Prices”) as of the date of the award.

By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. Such election must be made on the bid form submitted by each bidder.

(1) Hold the Price. The winning bidder:

- (a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

- (b) will neither offer nor sell to any person any Notes within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Notes of such maturity at a price that is no higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Notes; and
- (c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

(2) Follow the Price. The winning bidder:

- (a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide the District with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;
- (b) will report to the District information regarding the actual prices at which at least 10 percent of the Notes within each maturity of the Notes have been sold to the public;
- (c) will provide the District with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Notes, will continue until such date that 10 percent of each maturity of the Notes has been sold to the public; and
- (d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

For the purposes of the “hold the price” or “follow the price” requirement, a “maturity” refers to Notes that have the same interest rate, credit and payment terms.

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the District a certificate (the “Reoffering Price Certificate”), satisfactory to Bond Counsel, prior to the delivery of the Notes stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the District’s Municipal Advisor.

If the winning bidder has purchased the Notes for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Requirements were met, the Reoffering Price Certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

For purposes of this Notice, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Notes to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Notes to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Notes.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the District, to provide to the District, in writing, within two business days after the date of such award, all information which such bidder determines is necessary for it to comply with United States Securities and Exchange Commission Rule 15c2-12 (the “SEC Rule 15c2-12”), including all necessary pricing and sale information, with respect to the purchase of municipal bond insurance, if any, and underwriter identification. Within five business days following receipt thereof by the District, the District will furnish to the purchaser(s), in reasonable quantities as requested by the bidder(s), copies of the final Official Statement to be dated June 27, 2018 which shall be updated, as necessary, to include said information. Failure by the purchaser(s) to provide such information will prevent the District from furnishing such final Official Statement.

The District shall not be responsible or liable in any manner for the purchaser(s) determination of information necessary to comply with 15c2-12 or the accuracy of any such information provided by such successful bidder or for failure to furnish such Official Statements as described above which results from a failure by the successful bidder to provide the aforementioned information within the time specified. Acceptance by the purchaser(s) of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligations of the District with respect to the preparation and delivery thereof.

In the event of a default in the payment of the principal of and/or interest, Section 99-b of the State Finance Law provides for a covenant between the State and the purchasers, and owners of the bonds and notes, issued by school districts in the State for school purposes (including the bonds and notes issued by the District), that it will not repeal, revoke or rescind the provisions of Section 99-b of the State Finance Law, or amend or modify the same so as to limit, impair or impede the rights and remedies granted thereby.

As a condition to each purchaser's obligation to accept delivery of and pay for the Notes, the purchaser(s) will be furnished, without cost, the following, dated as of the date of the delivery and payment for the Notes: (i) a certificate of the President of the Board of Education certifying that (a) the Official Statement issued in connection with the sale of \$54,325,000 Bond Anticipation Notes, 2018 Series A (which Official Statement is deemed by the District to be final for purposes of SEC Rule 15c2-12, except for the omission therefrom of items allowable under the Rule), did not contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement, obtained from sources other than the District is not guaranteed as to accuracy, completeness or fairness she has no reason to believe and does not believe that such information is materially inaccurate, and (b) to her knowledge, there have been no material transactions not in the ordinary course of affairs entered into by the District and no material adverse changes in the general affairs of the District or in its financial condition as shown in said Official Statement other than as disclosed in or contemplated by said Official Statement, (ii) a Closing Certificate constituting receipt for the Note proceeds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the Notes; (iii) an arbitrage certificate executed on behalf of the District, which includes, among other things, covenants relating to compliance with the Code, with the owners of the Notes that the District will, among other things, (a) take all actions on its part necessary to cause interest on the Notes not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (b) refrain from taking any action which would cause interest on the Notes to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Notes and investment earnings thereon on certain specified purposes, (iv) a Certificate of the District, executed by the President of the Board of Education stating that the District has agreed, in accordance with SEC Rule 15c2-12, to provide or cause to be provided, timely notice of the occurrence of certain enumerated events with respect to the Notes, and (v) the approving legal opinion, as to the validity of the Notes, of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. Reference should be made to said Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Notes and the matters covered by such legal opinion. Furthermore, reference should be made to the information under the heading "Legal Matters" in the Official Statement.

CITY SCHOOL DISTRICT OF
THE CITY OF NEW ROCHELLE
WESTCHESTER COUNTY, NEW YORK

/s/ Rachel Relkin
President of the Board of Education
& Chief Fiscal Officer

Dated: June 22, 2018

Additional copies of the Official Statement and Notice of Sale may be obtained from Capital Markets Advisors, LLC, 1075 Route 82 – Suite 4, Hopewell Junction., New York, 12533, Telephone, (845) 227-8678 and are also available at www.capmark.org.

PROPOSAL FOR NOTES

Sale Date: June 27, 2018
11:00 A.M. Prevailing Time

Rachel Relkin
President of the Board of Education
City School District of the City of New Rochelle
C/O Capital Markets Advisors, LLC
1075 Route 82 – Suite 4
Hopewell Junction, NY 12533

TELEPHONE: (845) 227-8678

FACSIMILE (845) 227-6154

CITY SCHOOL DISTRICT OF THE CITY OF NEW ROCHELLE
WESTCHESTER COUNTY, NEW YORK

\$54,325,000 BOND ANTICIPATION NOTES, 2018 SERIES A

(the "Notes")

DATED: July 12, 2018

MATURITY DATE: July 12, 2019

	Amount	Interest Rate	Premium	Net Interest Cost*
Bid 1	\$	%	\$	%
Bid 2	\$	%	\$	%
Bid 3	\$	%	\$	%
Bid 4	\$	%	\$	%

* The computation of the net interest cost is made as provided in the above-mentioned Notice of Sale, but does not constitute any part of the foregoing Proposal for the purchase of the Notes therein described.

- (1) Please select one of the following (If no option is selected, the book-entry-only option will be assumed to have been selected by the Purchaser).
 Book-Entry-Only Registered to Cede & Co. Non Book-Entry. Registered to Purchaser.
- (2) Issue Price: The bidder represents that it has an established industry reputation for underwriting new issuances of municipal notes similar to the Notes. (Select One)
 YES NO
- (A) If the Competitive Sale Requirements are not met, the bidder will use one or more of the following methods to determine the issue price of the Notes:
Select one (if none are selected, then the method shall be assumed to be Follow the Price for each maturity with at least 10% sold on the Sale Date at the Initial Offering Price and Hold the Price for all unsold maturities):
 Follow the Price for all maturities; or
 Hold the Price for all maturities, or
 Follow the Price for each maturity with at least 10% sold on the Sale Date at the Initial Offering Price and Hold the Price for all other maturities.
- (B) **TO BE COMPLETED BY BIDDERS PURCHASING NOTES FOR THEIR OWN ACCOUNT**
The bidder is not acting as an underwriter with respect to the Notes or is not a related party to an underwriter with respect to the Notes and has no present intention to sell, reoffer or otherwise dispose of the Notes.
YES NO

Signature: _____

Name of Bidder: _____

Company: _____

Address of Bidder: _____

E-mail Address: _____

Tel. (Area Code): _____

Fax (Area Code): _____

Name, address and telephone of person to receive bond documents from Bond Counsel:

