

STATE OF NEW MEXICO §
 §
COUNTIES OF DOÑA ANA §
AND OTERO §
 §
GADSDEN INDEPENDENT §
SCHOOL DISTRICT NO. 16 §

The Board of Education of the Gadsden Independent School District No. 16 ("Board") in the Counties of Doña Ana and Otero and the State of New Mexico, met in regular session, in full conformity with law and the rules and regulations of the Board, at the Gadsden Administrative Complex Board Room, Sunland Park, New Mexico, on August 14, 2014, at the hour of 5:00 p.m. The duly elected officers and members of the Board were as follows:

President:	Daniel Castillo
Vice President:	Jennifer Viramontes
Secretary:	Gloria Irigoyen
Members:	Craig Ford
	Maria Saenz

Upon roll call, the following members of the Board were found to be present:

The following members of the Board were found to be absent:

The Superintendent of Schools, Efren Yturralde, was also present.

Superintendent Yturalde thereupon introduced and recommended adoption by the Board of a resolution entitled:

**RESOLUTION AUTHORIZING NOTICE OF ISSUANCE
AND SALE OF \$9,500,000 GENERAL OBLIGATION
SCHOOL BONDS, SERIES 2014**

Member _____ then moved the adoption of the foregoing entitled resolution. Member _____ seconded such motion. The motion to adopt said resolution was thereupon put to a vote and was passed and adopted on the following recorded vote:

Those Voting Aye:

Those Voting Nay:

Those Abstaining:

After consideration of other business not related hereto, on motion duly made, seconded, and carried, the meeting was adjourned.

Dated at Sunland Park, New Mexico, this 14th day of August, 2014.

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

[SEAL]

Attest:

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

RESOLUTION AUTHORIZING NOTICE OF ISSUANCE
AND SALE OF \$9,500,000 GENERAL OBLIGATION
SCHOOL BONDS, SERIES 2014

WHEREAS, at a school bond election duly called and held in the Gadsden Independent School District No. 16 ("District"), in the Counties of Doña Ana and Otero and the State of New Mexico, on February 4, 2014, a majority of the qualified, registered electors of the District who voted on the question authorized the Board of Education of the District ("Board") to contract a bonded indebtedness on behalf of the District and upon the credit thereof, by issuing general obligation, negotiable, registered bonds of the District in the sum of not to exceed \$38,000,000, for the purpose of erecting, remodeling, making additions to and furnishing school buildings, purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act, or any combination of these purposes; and

WHEREAS, the result of said election so held on the 4th day of February, 2014, was duly certified on the 7th day of February, 2012, by the Canvassing Board as showing the following result:

FOR the Bonds: 551

AGAINST the Bonds: 48

WHEREAS, the Board has not previously issued any of the \$38,000,000 of bonds authorized on February 4, 2014; and

WHEREAS, the Board has determined, and does hereby determine, that it is necessary and for the best interests of the District and the inhabitants thereof that a portion of the bonds so authorized at said election, in the aggregate principal amount of \$9,500,000, be issued at this time, provided, however, that a satisfactory price be obtained therefor upon a public sale, a negotiated sale, or private placement with the New Mexico Finance Authority ("Finance Authority").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE GADSDEN INDEPENDENT SCHOOL DISTRICT NO. 16, IN THE COUNTIES OF DOÑA ANA AND OTERO AND THE STATE OF NEW MEXICO:

Section 1. The Board hereby determines to proceed with the issuance, sale, and delivery of \$ 9,500,000 of bonds to be designated as the Gadsden Independent School District No. 16 General Obligation School Bonds, Series 2014 ("Bonds"). The President of the Board and the Superintendent of Schools of the District ("Superintendent") are hereby authorized to determine the time, date (but not later than ninety (90) days from the date of adoption of this resolution), and place to receive bids for the sale of the Bonds, the series, the dated date, the principal amount maturing in each year, maturity and interest payment dates, redemption provisions, and any other

terms related to the Bonds. Pursuant to the determination of such matters, the President of the Board and the Superintendent are hereby further authorized and directed to have published a notice of sale, in substantially the form set forth below, in the *Las Cruces Bulletin* or the *Las Cruces Sun News*, Las Cruces, New Mexico, being newspapers of general and local circulation in the District, once, at least one (1) week prior to the date of the sale, and to give such other notice as they may determine.

Section 2. The notice of sale shall be in substantially the following form (reflecting the determination of the various terms set forth in Section 1):

(Form of Notice for Publication)

NOTICE OF BOND SALE

_____ SCHOOL DISTRICT NO. ____
 COUNTY OF _____, STATE OF NEW MEXICO
 GENERAL OBLIGATION SCHOOL BONDS
 SERIES ____ - \$_____

PUBLIC NOTICE IS HEREBY GIVEN that the Board of Education of the _____ School District No. __ (“Board”), governing body of the _____ School District No. __ (“District”), _____ County, New Mexico, will, until the hour of ____ .m., local time on _____, 20__, at the office of _____, _____, New Mexico, receive sealed bids and bids sent by electronic transmission and then publicly open the same for the purchase of the District’s General Obligation School Bonds, Series _____, 20__ (“Bonds”), in the aggregate principal amount of \$_____. After receipt of such bids, the Board will hold a regular open _____ meeting at the _____ Administration Building, _____, New Mexico, on _____, 20__, at ____ .m., local time, and will award the Bonds, adopt a bond resolution, and consider any other related matters.

The Bonds will be issued as fully registered bonds and will mature on _____ of each year as follows:

<u>Years</u>	<u>Amount Maturing</u>	<u>Interest Rates</u>
_____	\$_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%
_____	_____	_____%

Said issue constitutes a portion of the bonds that were authorized at a special school bond election held on February 4, 2014, and will constitute general obligation bonds of the District, payable from general taxes that may be levied against all taxable property within the District, without limitation as to rate or amount.

The maximum net effective interest rate permitted on the Bonds is ten percent (10%); provided, however, that if the net effective interest rate on the Bonds is greater than ten percent (10%) per annum, as defined in the Official Notice of Bond Sale, such rate must be approved in writing by the New Mexico State Board of Finance, and the District may not issue the Bonds before such approval is given.

Bidders are required to submit an Official Bid Form or an electronic bid, as discussed below, specifying the lowest rate or rates of interest and premium, if any, at which such bidder will purchase the Bonds. Further limitations and information concerning the interest rates that may be bid for the Bonds and otherwise concerning bidding are set forth in the Official Notice of Bond Sale, of which this notice is a condensation. All bids must comply with the terms of the Official Notice of Bond Sale. Bids should be enclosed in a sealed envelope or delivered by facsimile or other electronic transmission, endorsed "Bid for Bonds" addressed as follows: the _____ School District No. __, Administrative Office, Attention: Secretary, Board of Education, _____, _____, New Mexico _____, or sent electronically via PARITY. Only unconditional bids shall be considered. The District reserves the privilege of waiving any irregularity or informality (except time of filing) in any bid.

The Official Notice of Bond Sale, the Official Bid Form, and the Preliminary Official Statement may be obtained from the District's financial advisor, _____, _____, _____, New Mexico _____ (Telephone (505) _____ - _____).

Adjustment of Principal Amounts, Modification Or Clarification Prior To The Examination Of Bids:

The Superintendent may, after consultation with the Board's financial and bond advisors, in the Superintendent's sole discretion and prior to the examination of bids, (i) adjust the aggregate principal amount set forth herein; (ii) adjust individual maturities; and/or (iii) modify or clarify any other term hereof by issuing a notification of the adjusted amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Bloomberg Financial Services no later than 8:30 a.m., prevailing Mountain Time, on the Bid Date.

Rescheduling Of Bid Date and Deadline:

The Superintendent may, after consultation with the Board's financial and bond advisors, in the Superintendent's sole discretion on notice given at least twenty-four (24) hours prior to the Original Deadline, reschedule the Original Bid Date and Original Deadline, and may, at that time or a subsequent time on at least twenty-four (24) hours prior notice, in each case via TM3 and/or Bloomberg Financial Services, establish a Rescheduled Bid Date and Rescheduled Deadline and a place where electronic bids

will be publicly examined.

The validity and enforceability of the Bonds will be approved by the New Mexico Attorney General, Cuddy & McCarthy, LLP, Attorneys at Law, Santa Fe, New Mexico, and McCall, Parkhurst & Horton L.L.P., Attorneys at Law, Austin, Texas.

President, Board of Education
_____ School District No. ____

(End of Form of Notice for Publication)

Section 3. Said Official Notice of Bond Sale shall be in substantially the following form (reflecting the determination of the various terms set forth in Section 1):

(Form of Official Notice of Bond Sale)

OFFICIAL NOTICE OF BOND SALE

_____ DISTRICT NO. ____
COUNTY OF _____, STATE OF NEW MEXICO
GENERAL OBLIGATION SCHOOL BONDS
SERIES 20____ - \$_____

PUBLIC NOTICE IS HEREBY GIVEN that the Board of Education of the _____ ("Board"), governing body of the _____ ("District"), _____ County, New Mexico, will, until the hour of _____ .m., local time, on _____, 20____, at the office of _____, _____, New Mexico, receive bids for the purchase of the District's General Obligation School Bonds, Series _____ ("Bonds"), in the aggregate principal amount of \$_____ and then publicly open the same. Bids may be submitted as a sealed bid or as an electronic bid using the facilities of PARITY. Submission of bids is further discussed below. The Board will hold an open regular meeting at the _____ Administration Building, _____, New Mexico, on _____, 20____, at _____ .m., local time, after receipt and opening of such bids, and will award the Bonds, adopt a bond resolution, and consider any other related matters.

For purposes of the written sealed bids, and bids received through the electronic bidding process, the time as maintained by PARITY shall constitute the official time.

Bids Delivered to the Board:

Sealed bids, plainly marked "Bid for Bonds," should be addressed to "Board of Education, _____ School District No. _____," and delivered to the

_____ School District No. _____, _____, New Mexico, Attention: Secretary, Board of Education, c/o _____, _____, New Mexico _____, prior to _____ .m., local time, on _____, 20_____, the date of the bid opening. Such bids must be submitted on the Official Bid Form, without alteration or interlineation or through the electronic bidding process described below.

Electronic Bidding Procedures:

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to i-Deal's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The Board will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Bond Sale ("Notice"), and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Board. The Board and _____ (District's Financial Advisor") shall not be responsible for any malfunction or mistake made by or as a result of the use of the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice conflict with information provided by PARITY, as the approved provider of electronic bidding services, this Notice shall control. Further information about PARITY, including any fee charged, may be obtained from BIDCOMP/PARITY, 1359 Broadway, 2nd Floor, New York, New York 10018, i-Deal Prospectus: (212) 849-5024 or (212) 849-5025; BidComp/Parity: (212) 849-5021.

Adjustment of Principal Amounts, Modification Or Clarification Prior To The Examination Of Bids:

The Superintendent may, after consultation with the Board's financial and bond advisors, in the Superintendent's sole discretion and prior to the examination of bids, (i) adjust the aggregate principal amount set forth herein; (ii) adjust individual maturities; and/or (iii) modify or clarify any other term hereof by issuing a notification of the adjusted amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Bloomberg Financial Services no later than 8:30 a.m., prevailing Mountain Time, on the Bid Date.

Rescheduling Of Bid Date and Deadline:

The Superintendent may, after consultation with the Board's financial and bond advisors, in the Superintendent's sole discretion on notice given at least twenty-four (24) hours prior to the Original Deadline, reschedule the Original Bid Date and Original Deadline, and may, at that time or a subsequent time on at least twenty-four (24) hours prior notice, in each case via TM3 and/or Bloomberg Financial Services, establish a

Rescheduled Bid Date and Rescheduled Deadline and a place where electronic bids will be publicly examined.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the Board, as described under "BASIS OF AWARD" below. All electronic bids shall be deemed to incorporate the provisions of this Notice and the Official Bid Form.

THE BONDS

The Bonds will be dated as of their date of initial delivery, expected to be _____ and will be issued as fully registered bonds in the denomination of \$5,000 each or any integral multiple thereof. The Bonds will be issued in book-entry-only form through the facilities of The Depository Trust Company, New York, New York and beneficial owners will not receive physical delivery of Bond certificates. _____, N.A., _____, _____, will be the initial paying agent/registrars for the Bonds. The Bonds will mature on _____ in each of the years and in the principal amounts as follows:

<u>Years</u>	<u>Amount Maturing</u>	<u>Interest Rates</u>
_____	\$ _____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

Both principal and interest on the Bonds will be payable in lawful money of the United States of America, and the principal of each Bond will be payable at the principal office of the paying agent/registrars for the Bonds. The interest on each Bond shall be payable by check or draft mailed to the respective registered owners thereof at the address as it appears on the registration books of said paying agent/registrars or any successor paying agent/registrars. Said issue constitutes a portion of the bonds which were authorized at a _____ election held on _____, and are for the purpose of erecting, remodeling, making additions to and furnishing school buildings, purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay

projects funded pursuant to the Public School Capital Outlay Act, or any combination of these purposes, and will constitute general obligation bonds of the District, payable from general taxes that may be levied without limitation as to rate or amount.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The District intends to designate the Bonds as "QUALIFIED TAX-EXEMPT OBLIGATIONS" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended ("Code"). Section 265 of the Code permits the designation of governmental bonds such as these Bonds as qualified tax-exempt obligations based upon certain representations made herein below (and certain representations by the initial purchaser of the Bonds):

- (a) The Bonds are not private activity bonds;
- (b) The District does not reasonably expect to issue qualified tax-exempt obligations in an aggregate principal amount exceeding \$10,000,000 during calendar year 20__; and
- (c) The District has not and will not designate more than \$10,000,000 in aggregate principal amount of qualified tax-exempt obligations during calendar year 20__.

REDEMPTION

Bonds maturing on or after _____, may be redeemed prior to their scheduled maturities on _____, or on any date thereafter, in whole, or in part on any interest payment date, at the option of the District, with funds derived from any available and lawful source, and the District shall designate the amount that is to be redeemed, and if less than a whole maturity is to be redeemed, the District shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity, for redemption (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at the redemption price of par, plus accrued interest to the date fixed for prepayment or redemption.

At least 30 days prior to the date fixed for any redemption of Bonds or portions thereof, prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first class postage pre-paid, not less than 30 days prior to the date fixed for any such redemption, to the registered owner of each bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date. By the date fixed for any such redemption, due provision shall be made with Paying Agent/Registrar for the payment of the required redemption price for the Bonds, or portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such written notice of redemption is given and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price

plus accrued interest from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion, thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the District.

PAYMENT OF PURCHASE PRICE

The purchaser will be required to make payment of the balance of the purchase price of the Bonds (after credit for the bidder's good-faith deposit, without interest to the purchaser) in immediately available funds at a depository designated by the District.

INTEREST RATE, BID LIMITATIONS, AND MAXIMUM PREMIUM LIMITATION

Interest on the Bonds will be payable on _____, and semi-annually thereafter on _____ and _____ in each year until maturity.

The maximum net effective interest rate permitted on the Bonds is ten percent (10%), and no interest rate on any maturity of the Bonds may be greater than ten percent (10%) per annum. It is permissible to bid different or split rates of interest; provided, however, that: (1) no bid shall specify more than one interest rate for each maturity; (2) each interest rate specified must be stated in a multiple of one-eighth ($1/8^{\text{th}}$) or one-twentieth ($1/20^{\text{th}}$) of one percent (1%) per annum; and (3) the maximum interest rate specified for any maturity may not exceed the minimum interest rate specified for any other maturity by more than two percent (2%).

The Bonds will not be sold for less than par plus accrued interest nor will a premium in excess of two percent (2%) of par be accepted.

Bidders are required to submit a bid specifying the lowest rate or rates of interest and premium, if any, at which such bidder will purchase the Bonds. For informational purposes only, each bidder is requested to specify the True Interest Cost on the Bonds stated as a nominal annual percentage rate (see "BASIS OF AWARD" below). Only unconditional bids shall be considered. Bids should be submitted on the Official Bid Form, which may be obtained from the District's Financial Advisor (see "FURTHER INFORMATION" below).

INSURANCE

The District may apply for municipal bond insurance for payment of principal of and interest on the Bonds. If the Bonds are approved for municipal bond insurance, the Bonds may be insured at the bidder's request and expense; and if the successful bidder desires that a legend be printed on the Bonds stating they are insured, the form of such legend and a written request that it be printed on the Bonds must be received by the District's Financial Advisor, identified under "Further Information" below, within forty-eight (48) hours of the award of the Bonds to the successful bidder. At the delivery of the Bonds, the bidder is required to provide documentation to the District confirming that the premiums due the insurance company and any rating agency fees (other than the fee of Moody's Investors Service, which will be paid by the District) have been fully paid.

BASIS OF AWARD

The Bonds will be awarded to the best bidder, considering the interest rate or rates specified and the premium offered, if any, and subject to the right of the Board to reject any and all bids and re-advertise. The best bid will be determined and will be awarded on the basis of the True Interest Cost of the Bonds (i.e., using a True Interest Cost method) for each bid received, and an award will be made (if any is made) to the responsible bidder submitting the bid that results in the lowest actuarial yield on the Bonds. "True Interest Cost" of the Bonds, as used herein, means that yield, which if used to compute the present worth, as of the date of the Bonds, of all payments of principal and interest to be made on the Bonds, from their date to their respective maturity dates, as specified in the maturity schedule and without regard to the possible optional prior redemption of the Bonds, using the interest rates specified in the bid, produces an amount equal to the principal amount of the Bonds plus any premium bid. No adjustment shall be made in such calculation for accrued interest on the Bonds from their date to the date of delivery thereof. Such calculation shall be based on a 360-day year consisting of twelve 30-day months and a semiannual compounding interval. The purchaser must pay accrued interest from the date of the Bonds to the date of delivery. **The Bonds will not be sold for less than par plus accrued interest nor will a premium in excess of two percent (2%) of par be accepted.** The District reserves the right to waive any irregularity or informality in any bid, except time of filing.

GOOD FAITH DEPOSIT

All bids shall be sealed except bids received by electronic transmission and, except for any bid of the State of New Mexico, if one is received, (i) shall include a good faith deposit of \$_____ in the form of cash, cashier's or treasurer's check of, or by certified check drawn on, a solvent commercial bank or trust company in the United States of America and payable to "_____" which must accompany any bid or be submitted prior to the submission of such bid or (ii) not later than _____, prevailing Mountain time, on _____, and prior to the official award of the Bonds, 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 \$_____. (If such wire transfer is not received from the successful bidder by

_____, prevailing Mountain time, on _____, the next best bidder may be awarded the Bonds.) No interest on such good faith deposit will accrue to the successful bidder. The good faith deposit will be applied to the purchase price of the Bonds.

The good faith deposit shall be returned for all non-successful bids or if no bid is accepted. If the successful bidder shall fail or neglect to complete the purchase of said Bonds within forty-five (45) days following the acceptance of the bid or within ten (10) days after the bonds are offered for delivery, whichever is later, the amount of the deposit shall be forfeited to the District as liquidated damages and, in that event, the Board may accept the bid of the one making the next best bid. If all bids are rejected, the Board shall re-advertise said Bonds for sale in the same manner as herein provided for the original advertisement. If there be two or more equal bids and such bids are the best bids received, the Board shall determine which bid shall be accepted.

TIME OF AWARD AND DELIVERY

The Board will take action awarding the Bonds or rejecting all bids not later than twenty-four (24) hours after the expiration of the time herein prescribed for the receipt of the bids. Delivery of the Bonds will be made to the successful bidder through the facilities of The Depository Trust Company, New York, New York, within forty-five (45) days of the acceptance of the bid. If for any reason delivery cannot be made within forty-five (45) days, the successful bidder shall have the right to purchase the Bonds during the succeeding ten (10) days upon the same terms, or at the request of the successful bidder, during said succeeding ten (10) days, the good-faith deposit will be returned, and such bidder shall be relieved of any further obligation. The successful bidder shall make final payment for the Bonds in immediately available funds to the District for immediate and unconditional credit to the account of the District. It is anticipated that the delivery of the Bonds will be on or about _____.

FURTHER INFORMATION

Information concerning the Bonds, information regarding electronic bidding procedures, bid submission and other matters related to the Bonds, including printed copies of this Notice, the Official Bid Form, and the Preliminary Official Statement relating to the Bonds ("Preliminary Official Statement"), may be obtained from the District's Financial Advisor, RBC Capital Markets, LLC, 6301 Uptown Blvd., NE, Suite 110, Albuquerque, New Mexico 87110. This Notice, the Official Bid Form and the Preliminary Official Statement are available for viewing in electronic format at www.idealprospectus.com. The District has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds, but will not prepare any other document or version for such purpose except as described below. In addition, any NASD registered broker-dealers or dealer banks with The Depository Trust Company clearing arrangements who bid on the Bonds are advised that they may either: (a) print out a copy of the Preliminary Official Statement on their own printer or (b) at any time prior to the sale date, elect to receive a photocopy of the Preliminary

Official Statement in the mail by requesting it from the District's Financial Advisor. All bidders must review the Preliminary Official Statement, and by submitting a bid for the Bonds, each bidder certifies that such bidder has done so prior to participating in the bidding.

The District will agree in the resolution authorizing the Bonds to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12 ("Rule"), as described in the Official Statement under "Continuing Disclosure of Information." The Purchaser's obligation to accept and pay for the Bonds is conditioned upon the delivery to the Purchaser or its agent of a certified copy of the resolution authorizing the Bonds containing the agreement described under such heading.

The Preliminary Official Statement is deemed final by the District for purposes of Rule 15c2-12(b)(1) except for the omission of the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, any other terms or provisions required by an issuer of such securities to be specified in the winning bid, ratings, other terms of the securities depending on such matters, and the identity of the purchaser. The Board will furnish to the successful bidder or bidders, acting through a designated senior representative, in accordance with instructions received from such successful bidder(s) in order to comply with the Rule, within seven (7) business days from the sale date an aggregate of ten (10) copies of the final Official Statement, reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of preparation of the Official Statement shall be borne by the District except for the cost of any final Official Statement in excess of the number specified shall be borne, prepared, and distributed by the successful bidder(s).

LEGAL OPINIONS

The New Mexico Attorney General's written approval of the Bonds, as to form and legality, will be supplied. In addition, the legality of the Bonds will be approved by Cuddy & McCarthy, LLP, Attorneys at Law, Santa Fe, New Mexico, and McCall, Parkhurst & Horton L.L.P., Attorneys at Law, Austin, Texas ("District's Co-Bond Counsel"), whose opinions approving the legality of the Bonds will be furnished at no cost to the successful bidder. The opinions will state in substance that the issue of the Bonds in the amount aforesaid is valid and legally binding upon the District, that all of the taxable property in the District is subject to the levy of a tax to pay the same without limitation of rate or amount, and that interest on the Bonds is excludable from gross income for purposes of federal income tax.

CERTIFICATION OF ISSUE PRICE

In order to provide the District with information required to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended, relating to the exemption of interest on the Bonds from the gross income of their owners, the successful bidder will be required to complete, execute, and deliver to the District (on or

before the date of delivery of the Bonds) a certification as to the "issue price" of the Bonds substantially in the form accompanying this Notice. In the event the successful bidder will not re-offer the Bonds for sale or is unable to sell a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in a manner approved by the District and McCall, Parkhurst & Horton L.L.P. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate by the date of delivery of the Bonds, if its bid is accepted by the Board. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel. In no event will the District fail to deliver the Bonds as a result of the successful bidder's inability to sell a substantial amount of the Bonds at a particular price prior to delivery.

CERTIFICATION OF OFFICIAL STATEMENT

At the time of payment for and delivery of the Bonds, the successful bidder will be furnished a certificate, executed by proper officers of the District, acting in their official capacity, to the effect that to the best of their knowledge and belief: (a) the descriptions and statements of or pertaining to District contained in the final Official Statement, and any addenda, supplement or amendment thereto, on the date of the final Official Statement, on the date of sale of the Bonds and the acceptance of the bids therefor, and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the District and its affairs, including its financial affairs, are concerned, the final Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the District, and their activities contained in such final Official Statement are concerned, such statements and data have been obtained from sources which the District believes to be reliable and the District has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of District since the date of the last audited financial statements of the District.

BOOK- ENTRY-ONLY OBLIGATIONS

The Bonds will be issued in book-entry-only form through the facilities of the Depository Trust Company (see Preliminary Official Statement).

CUSIP NUMBERS

CUSIP identification numbers may be typed or printed on the Bonds, but neither the failure to provide such number on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms hereof. All expenses in relation to the

CUSIP Service charge for the assignment of said numbers will be the responsibility of and will be paid for by the purchaser.

BLUE SKY LAWS

The District has not investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking, or other laws.

By submitting a bid, the initial purchaser represents that the sale of the Bonds in states other than New Mexico will be made only under exemptions from registration, or, wherever necessary, the initial purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the initial purchaser, at the initial purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary but will not consent to service of process in any such jurisdiction.

Dated at _____, New Mexico, this _____ day of _____, 20_____.

President, Board of Education
_____ School District No. _____

[SEAL]

Attest:

Secretary, Board of Education
_____ School District No. _____

(End of Form of Official Notice of Bond Sale)

Section 4. The official bid form to be used in connection with the sale of the Bonds will be in substantially the form attached to this Resolution as Exhibit "A".

Section 5. The Superintendent and officers of the District, the District's Financial Advisor, and the District's Co-Bond Counsel are authorized to prepare, post, and to distribute the Official Notice of Bond Sale, Official Bid Form, Preliminary Official Statement, and Official Statement to such potential bidders on the Bonds as they may determine in substantially the form as attached hereto and to take all action necessary or appropriate to give effect to the provisions of this Resolution.

Section 6. The President of the Board and the Superintendent are hereby also authorized to determine the time, date and place to receive bids for the subsequent sales of bonds authorized at the February 4, 2014 special school bond election,

including the series, the dated date, the principal amount maturing in each year, principal and interest payment dates, redemption provisions, and any other terms related to the subsequent series of bonds. The President of the Board and the Superintendent are hereby further authorized and directed to have published a notice of sale of all subsequent sales of authorized bonds, after determination of the details of the authorized bonds, in the *Las Cruces Bulletin* or the *Las Cruces Sun News*, Las Cruces, New Mexico, being newspapers of general and local circulation in the District, once, at least one week prior to the date of the sale, and to give such other notice as they may determine, and the Board hereby authorizes the President of the Board, the Secretary, and other appropriate officers and employees to take such actions and give such certifications as may be appropriate for the purposes aforesaid.

PASSED AND APPROVED this 14th day of August, 2014.

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

[SEAL]

Attest:

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

STATE OF NEW MEXICO
COUNTIES OF DOÑA ANA
AND OTERO
GADSDEN INDEPENDENT
SCHOOL DISTRICT NO. 16

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SECRETARY'S CERTIFICATE

I hereby certify that I am the duly appointed Secretary of the Board of Education of the Gadsden Independent School District No. 16 ("Board"), and that the foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board, constituting the governing body of the Gadsden Independent School District No. 16 ("District"), had and taken at a regular meeting of the Board held at the Gadsden Administrative Complex Board Room, Sunland Park, New Mexico (in the District), convening at the hour of 5:00 p.m., on August 14, 2014, insofar as they concern the adoption of a resolution entitled Resolution Authorizing Notice of Issuance and Sale of \$9,500,000 General Obligation School Bonds, Series 2014, a copy of which being therein set forth, as recorded in the book of official records of the proceedings of the District kept in the office of the Superintendent of Schools, and that said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein named were present at said meeting as therein shown.

WITNESS my hand and seal of the District affixed this 14th day of August, 2014.

Secretary, Board of Education

[SEAL]

OFFICIAL BID FORM

_____, 20_____

Gadsden Independent School District No. 16
 c/o RBC Capital Markets, LLC
 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 _____, 20____, relating to the District's General Obligation School Bonds, Series 20_____ ("Bonds") in the principal amount of \$_____, 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 \$_____), provided the Bonds bear interest per annum as follows (the bonds mature on _____ of each year):

Maturing (_____)	Principal Amount	Interest Rate	Yield
20_____	\$ _____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%
20_____	_____	____%	____%

Enclosed herewith is *a financial security bond*, *cash*, *a cashier's or treasurer's check of*, *a certified check drawn on*, a solvent commercial bank or trust company in the United States of America, made payable to the order of the Gadsden Independent School District No. 16, in the amount of \$_____, 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 no more than ten (10) copies 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 _____ day of _____, 20____.

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

ATTEST:

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

RETURN OF GOOD-FAITH DEPOSIT

Return of good-faith deposit to us as an unsuccessful bidder on this ____ day of _____, 20____, is hereby acknowledged.

Bidder

By:_____

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 20____ ("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>
20____	\$ _____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%

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>
20____	\$ _____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%
20____	_____	____%

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 _____, 20____.

_____,
Purchaser

By: _____
Title: _____