

OFFICIAL NOTICE OF BOND SALE

\$5,000,000

LOS ALAMOS PUBLIC SCHOOL DISTRICT
COUNTY OF LOS ALAMOS, STATE OF NEW MEXICO
GENERAL OBLIGATION SCHOOL BUILDING BONDS
SERIES 2012

PUBLIC NOTICE IS HEREBY GIVEN that the Los Alamos School Board ("Board"), governing body of the Los Alamos Public School District ("District"), Los Alamos County, New Mexico, will, until the hour of 11:00 a.m., local time on April 10, 2012, or such other date and time as indicated below (the "Rescheduled Bid Date" and "Rescheduled Deadline," respectively, and together with the Original Bid Date and the Original Deadline, the "Bid Date" and "Deadline," respectively), receive sealed bids and bids sent by electronic transmission at the Los Alamos Public School District Administration Building, 2075 Trinity Drive, Los Alamos, New Mexico, or at such other place to be designated as provided below, for the purchase of the District's General Obligation School Building Bonds, Series 2012, in the aggregate principal amount of \$5,000,000 and then publicly examine the bids received. Bids may be submitted as a sealed bid or as an electronic bid using the facilities of PARITY. The Board will hold a regular meeting in the main conference room at Pajarito Cliffs Building No. 1 in Los Alamos, New Mexico, on April 10, 2012, at 5:30 p.m., local time, after receipt and opening of such bids, and will award the Bonds to the best bidder, adopt a bond resolution, and consider any other related matters.

DESCRIPTION OF ISSUE: The School Building Bonds in the amount of \$5,000,000 were authorized at a special mail ballot bond election held within the District on January 27, 2009.

The Bonds will be issued in the aggregate principal amount of \$5,000,000, will be dated the date of delivery, will be issued as fully registered bonds and will mature on August 1 of each year as follows:

<u>Years</u>	<u>Amounts</u>
<u>Maturing</u>	<u>Maturing</u>
2012	\$350,000
2013	785,000
2014	300,000
2015	300,000
2016	300,000
2017	300,000
2018	300,000
2019	300,000
2020	400,000
2021	400,000
2022	400,000
2023	400,000
2024	465,000

The Bonds will be fully registered bonds in the denomination of \$5,000 each, or any integral multiple thereof. Interest on the Bonds will be payable on August 1, 2012 and semiannually thereafter on February 1 and August 1 of each year.

ADJUSTMENT OF PRINCIPAL AMOUNTS, MODIFICATION OR CLARIFICATION PRIOR TO RECEIPT 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 April 10, 2012 (the "Original Deadline"), reschedule the 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 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 "Los Alamos School Board," and delivered to the Los Alamos Public School District Administration Building, 2075 Trinity Drive, Los Alamos, New Mexico, Attention: Secretary, prior to 11:00 a.m., local time, on April 10, 2012, 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.

BID ADJUSTMENT AFTER RECEIPT OF BIDS: The District reserves the right, after receipt of bids, to adjust the principal amount and maturity schedule for the Bonds by increasing or decreasing the principal amount of each maturity, in an amount not exceeding 10% of each maturity, no later than two (2) hours following receipt of bids to obtain sufficient funds to complete the improvements; notice of any adjustment will be given promptly to the best bidder and any adjustment will be done in a "spread neutral" manner.

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 Meeting and 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 RBC Capital Markets, LLC ("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.

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.

REDEMPTION: Bonds maturing on and after August 1, 2023, are subject to prior redemption prior to their maturity on or after August 1, 2022, at the option of the District, in whole or in part at any time, at par value.

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 purchaser'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: 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) or one-twentieth (1/20) 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 three percent (3%).

The Bonds will not be sold for less than par.

Bidders are required to submit a bid specifying the lowest rate or rates of interest and premium, if any, which may not exceed five percent (5%) of the par amount of the Bonds at which such bidder will purchase the Bonds. For informational purposes only, each bidder is requested to specify: (a) the method of payment of the good faith deposit, (b) the True Interest Cost on the Bonds stated as a nominal annual percentage rate (see "BASIS OF AWARD" below), (c) gross interest cost, (d) premium, if any, and (e) net interest cost. 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).

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. Such calculation shall be based on a 360-day year consisting of twelve thirty day months and a semiannual compounding interval. The District reserves the right to waive any irregularity or informality in any bid, except time of filing.

GOOD FAITH DEPOSIT: Not later than 2:00 p.m. (prevailing Mountain Time) on April 10, 2012, 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 \$100,000. If such wire transfer is not received from the successful bidder by 2:00 p.m. (prevailing Mountain Time) on April 10, 2012, the next best bidder may be awarded the Bonds. No interest on the deposit will accrue to the best bidder. The deposit will be applied to the purchase price of the Bonds.

The good faith deposit shall be returned if the bid is not accepted by the Board. If the successful bidder fails or neglects to complete the purchase of the 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 the 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 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 60 days of the acceptance of the bid. If for any reason delivery cannot be made within 60 days, the successful bidder shall have the right to purchase the Bonds during the succeeding 30 days upon the same terms, or at the request of the successful bidder, during the succeeding 30 days, the good faith deposit will be returned, and such bidder shall be relieved of any further obligation. It is anticipated that the delivery of the Bonds will be on or about May 16, 2012.

NEW MEXICO CREDIT ENHANCEMENT PROGRAM: The District will qualify the Bonds for the New Mexico Credit Enhancement Program created under Section 22-18-13, NMSA 1978 and the District will apply and pay for a Moody's Investor's Service, Inc., rating on the Bonds based on the New Mexico Credit Enhancement Program.

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 ("Preliminary Official Statement"), may be obtained from the District's Financial Advisor, RBC Capital Markets, LLC, 6301 Uptown Boulevard, NE, Suite 110, Albuquerque, New Mexico 87110. This Notice, the Official Bid Form and the Preliminary Official Statement is available for viewing in electronic format at www.i-dealprospectus.com. The District has prepared the 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 a separate agreement 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 Preliminary Official Statement under "Continuing Disclosure of Information." 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, 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 50 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 by the successful bidder(s).

TRANSCRIPT AND 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 Modrall, Sperling, Roehl, Harris & Sisk, P.A., Attorneys at Law, Albuquerque, New Mexico, whose opinion approving the legality of the Bonds will be furnished to the successful bidder at no cost to the successful bidder. The opinion will state in substance that the issue of the Bonds 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.

The successful bidder (without cost to such bidder) will also be furnished with a complete transcript of the legal proceedings, including a no-litigation certificate stating that to the knowledge of the signer or signers thereof, as of the date of the delivery of the Bonds, no

litigation is pending affecting their validity or the levy or collection of such taxes for their payment.

BANK-QUALIFIED: The District will designate the Bonds as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code.

BOOK-ENTRY ONLY OBLIGATIONS: The Bonds will be issued in book-entry only form through the facilities of the Depository Trust Company

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 the 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 this 30th day of March, 2012.

LOS ALAMOS SCHOOL BOARD

By _____
Kevin Honnell, President

OFFICIAL BID FORM (April 10, 2012)

Los Alamos Public School District
c/o RBC Capital Markets, LLC
6301 Uptown Boulevard, NE, Suite 110
Albuquerque, New Mexico 87110

Attention: Secretary

Members of the Board:

Pursuant to your "Official Notice of Bond Sale," dated March 30, 2012, relating to the District's General Obligation School Building Bonds, Series 2012, ("Bonds") in the principal amount of \$5,000,000, which by reference is made a part hereof, we submit the following bid:

For your legally issued Bonds as described in the Official Notice of Meeting and 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, provided the Bonds bear interest per annum as follows:

<u>Maturing (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2012	\$350,000		
2013	785,000		
2014	300,000		
2015	300,000		
2016	300,000		
2017	300,000		
2018	300,000		
2019	300,000		
2020	400,000		
2021	400,000		
2022	400,000		
2023	400,000		
2024	465,000		

If this bid is the best bid for the Bonds, we will send a wire transfer to the Los Alamos Public School District, in the amount of \$100,000 prior to the acceptance of our bid by the Board, which wire transfer will be our good faith deposit and 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 a Certificate Regarding Issue Price in the form attached as Exhibit A.

We understand and agree that no more than fifty (50) 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

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: \$ _____

Less Premium Bid: \$ _____

Net Interest Cost: \$ _____

Additional Rating (if any) at Cost of Bidder:

Name of Rating Agency:

ACCEPTANCE CLAUSE

The above bid is hereby accepted by the Los Alamos Public School District, County of Los Alamos, New Mexico, this 10th day of April, 2012.

LOS ALAMOS PUBLIC SCHOOL DISTRICT

Kevin Honnell, President

Melanie McKinley, Secretary

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EXHIBIT A

CERTIFICATE REGARDING ISSUE PRICE

The undersigned hereby certifies as follows with respect to the \$5,000,000 principal amount of Los Alamos Public School District, General Obligation School Building Bonds, Series 2012 (the "Bonds").

1. The undersigned is the original purchaser which purchased the Bonds from the Los Alamos Public School District, Los Alamos County, New Mexico (the "Issuer").

2. The initial offering prices of the Bonds at which bona fide offers of sale of each maturity were made to the public are as follows:

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Dollar</u> <u>Price</u>	<u>Initial</u> <u>Offering Price</u>
2012	\$350,000				
2013	785,000				
2014	300,000				
2015	300,000				
2016	300,000				
2017	300,000				
2018	300,000				
2019	300,000				
2020	400,000				
2021	400,000				
2022	400,000				
2023	400,000				
2024	465,000				
	<u>\$5,000,000</u>				

3. All of the Bonds were offered to the public at the initial offering prices set forth above and we reasonably expected to sell 10% of each maturity to the public (other than to bond houses, brokers and other intermediaries) at not more than the initial offering price of each such maturity. The aggregate of the initial offering prices of each maturity of the Bonds is \$_____ (consisting of \$5,000,000 as the par amount of the Bonds, plus a net reoffering premium in the amount of \$_____).

4. The undersigned understands that the statements made herein will be relied upon

by the Issuer in its effort to complete the Information Return for Tax-Exempt Governmental Bond Issues (Form 8038-G), required to be filed pursuant to the Internal Revenue Code of 1986, as amended and with regard to establishing facts and circumstances relied on by the Issuer and bond counsel in connection with the issuance of the Bonds and the exclusion of interest on the Bonds from gross income for federal income tax purposes. Such reliance is hereby authorized and approved.

Executed and delivered this ____ day of May, 2012.

By _____
Authorized Representative