

## NOTICE OF SALE

**Certificates of Participation, Series 2022A  
(Jail Project)  
Evidencing Undivided Interests in the Right to  
Receive Certain Revenues Payable by  
Pueblo County, Colorado  
under a Lease Purchase Agreement  
between the County and UMB Bank, n.a.  
in the Approximate Aggregate Principal Amount of \$126,355,000\***

PUBLIC NOTICE IS HEREBY GIVEN that electronic bids will be received for the purchase of \$126,355,000\* aggregate principal amount of Certificates of Participation, Series 2022A (the “Series 2022A Certificates”), more particularly described below. As more fully described in the Preliminary Official Statement, dated June 20, 2022 (the “Preliminary Official Statement”), Pueblo County, Colorado (the “County”), is causing the Series 2022A Certificates to be offered and issued pursuant to Resolution No. 22-146 of the County finally adopted on June 16, 2022 (the “Resolution”). Bids for the purchase of the Series 2022A Certificates must be submitted through the BIDCOMP/PARITY electronic bidding system (“PARITY”). The date and time for submitting bids will be as follows:

**Bid Date: June 30, 2022**

**Bid Deadline: 12:00 noon Eastern Time (10:00 a.m. Mountain Time)**

**Submit Bid to: PARITY electronic bidding system as set forth in “TERMS OF SALE—  
Submission of Bids”**

**Delivery Date: July 19, 2022**

Information relating to this auction may be obtained from the County’s Municipal Advisor, Ehlers & Associates, Inc. (the “Municipal Advisor”), at (651) 697-8572 (Bruce Kimmel) or from PARITY at 212 849 5021.

To bid, each bidder must have both (1) a subscription to PARITY and (2) requested and received admission to the bidding of the Series 2022A Certificates, as described under “**TERMS OF SALE—*Submission of Bids***” below. The use of PARITY shall be at the bidder’s risk and expense, and none of the County, the Municipal Advisor, Kutak Rock LLP and Tate Law, P.C. (“Co-Bond Counsel”) or UMB Bank, n.a. (the “Trustee”) shall have any liability with respect thereto.

**None of the County, the Municipal Advisor, Co-Bond Counsel or the Trustee shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate, or untimely bid submitted by Internet transmission by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunications lines, or any other cause arising from delivery by Internet**

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\* Preliminary; subject to adjustment as set forth herein

transmission. Additionally, the PARITY time stamp will govern the receipt of all electronic bids. The official bid clock does not automatically refresh. Bidders must refresh the auction page periodically to monitor the progression of the bid clock and to ensure that their bid will be submitted prior to the termination of the auction. All bids will be deemed to incorporate the provisions of this Notice of Sale.

This Notice of Sale, and the information set forth herein, are not to be treated as a complete disclosure of all relevant information with respect to the Series 2022A Certificates. The information set forth herein is subject, in all respects, to a more complete description of the Series 2022A Certificates and the security therefor set forth in the Preliminary Official Statement.

**THE SERIES 2022A CERTIFICATES**

*Terms.* The Series 2022A Certificates will be issued in the aggregate principal amount set forth in the caption of this Notice of Sale, but in all respects not to exceed \$126,500,000, with the stated interest rate on any Series 2022A Certificate not to exceed 6.00% (and the net effective interest rate on the Series 2022A Certificates not to exceed 5.00%) and will be dated the date of delivery. The proceeds of the Series 2022A Certificates are being used to (a) finance the acquisition, construction and equipping a new County jail and related facilities; (b) fund capitalized interest on the Series 2022A Bonds, if any (items (a) through (b) are collectively referred to herein as the “Project”); and (c) pay costs of issuance of the Series 2022A Certificates.

Interest on the Series 2022A Certificates will be payable on each January 1 and July 1, commencing on January 1, 2023, while the Series 2022A Certificates are outstanding. The Series 2022A Certificates will mature on July 1 in each of the designated amounts and years as follows:

<b>Maturity (July 1):</b>	<b>Amount: *</b>
2029	\$ 215,000
2030	320,000
2031	440,000
2032	865,000
2033	1,020,000
2034	1,165,000
2035	1,330,000
2036	1,495,000
2037	1,675,000
2038	1,865,000
2039	2,065,000
2040	2,280,000
2041	2,505,000
2042	2,750,000
2043	8,000,000
2044	8,500,000

2045	9,030,000
2046	9,590,000
2047	10,185,000
2048	10,810,000
2049	11,470,000
2050	12,170,000
2051	12,915,000
2052	13,695,000

\* Preliminary; subject to adjustment as set forth herein

The Series 2022A Certificates shall be issued in full book-entry form through the facilities of The Depository Trust Company (“DTC”). The Trustee, as trustee under the Indenture of Trust dated as of July 1, 2022 (the “Indenture”) entered into by the Trustee, shall serve as Paying Agent, Registrar and Transfer Agent for the Series 2022A Certificates. CUSIP numbers will be affixed to the Series 2022A Certificates, but errors in such CUSIP numbers or the failure to affix the CUSIP numbers to the Series 2022A Certificates shall not constitute cause for the purchaser to refuse delivery of the Series 2022A Certificates.

Reference is made to the Preliminary Official Statement for a more detailed description of the Series 2022A Certificates, the Project, the above-referenced Lease (the “Lease”), the Indenture and related matters.

**Optional Redemption.** The Series 2022A Certificates maturing on and after July 1, 2033 are subject to redemption prior to their respective maturities at the option of the County, in whole or in part, on July 1, 2032 or at any time thereafter (if in part, in integral multiples of \$5,000, from any maturity or maturities or portions thereof as selected by the County and by lot within a maturity in such manner as the Trustee shall determine), at a redemption price equal to the principal amount so redeemed plus accrued interest thereon to the redemption date, without redemption premium.

**Term Bond Option.** Bids for the Series 2022A Certificates may contain a maturity schedule providing for any combination of serial certificates and term certificates, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

**Redemption of Series 2022A Certificates in Whole upon an Event of Nonappropriation or Event of Default.** The Series 2022A Certificates are to be called, for redemption in whole, on any date, in the event of the occurrence of an Event of Nonappropriation or the occurrence and continuation of an Event of Default under the Lease. The redemption price will be the lesser of (a) the principal amount of the Series 2022A Certificates, plus accrued interest to the redemption date (without any premium); or (b) the sum of (i) the amount, if any, received by the Trustee from the exercise of remedies under the Lease with respect to the Event of Nonappropriation or the occurrence and continuation of the Event of Default that gave rise to such redemption; and (ii) the other amounts available in the Trust Estate for payment of the redemption price of the Series 2022A Certificates, which amounts will be allocated among the Series 2022A Certificates

in proportion to the principal amount of each Series 2022A Certificate. Notwithstanding any other provision of the Indenture, the payment of the redemption price of any Series 2022A Certificate pursuant to this redemption provision will be deemed to be the payment in full of such Series 2022A Certificate and no Owner of any Series 2022A Certificate redeemed pursuant to this redemption provision will have any right to any payment from the Trustee or the County in excess of such redemption price.

In addition to any other notice required to be given under the Indenture, the Trustee must, immediately upon the occurrence of an Event of Nonappropriation or an Event of Default, notify the Owners (i) that such event has occurred and (ii) whether or not the funds then available to it for such purpose are sufficient to pay the redemption price described in clause (i) of the immediately preceding paragraph. If the funds then available to the Trustee are sufficient to pay the redemption price described in clause (i) of the immediately preceding paragraph, such redemption price is to be paid as soon as possible. If the funds then available to the Trustee are not sufficient to pay the redemption price described in clause (i) of the immediately preceding paragraph, the Trustee must (A) immediately pay the portion of the redemption price that can be paid from the funds available, net of any funds which, in the judgment of the Trustee, should be set aside to pursue remedies under the Lease and (B) subject to the provisions of the Indenture, immediately begin to exercise and must diligently pursue all remedies available to it under the Lease in connection of such Event of Nonappropriation or Event of Default. The remainder of the redemption price, if any, is to be paid to the Owners if and when funds become available to the Trustee from the exercise of such remedies.

***Adjustment of Principal Amounts.*** The County reserves the right to increase or decrease the principal amount of the Series 2022A Certificates on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

***Amendment of Notice.*** In addition, the County reserves the right to amend this Notice of Sale at any time prior to the date and time for receipt of bids by publishing the amendments via TM3.com and/or Bloomberg wire service.

***Interest Rates and Limitations.*** Interest from the date of delivery will be payable on January 1, 2023 and semiannually thereafter on January 1 and July 1 in each year, as calculated based on a 360-day year of twelve 30-day months.

The net effective rate on the Series 2022A Certificates must not exceed 5.00%. The stated interest rate on any Series 2022A Certificate must not exceed 6.00%. **The rate for any maturity may not be more than 2.50% less than the rate for any preceding maturity. For example, if a rate of 6.00% is proposed for the 2029 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.** All Series 2022A Certificates of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%. A zero interest rate is not permitted. No supplemental or “B” interest shall be allowed.

**Rating.** The County has applied for a municipal bond underlying rating on the Series 2022A Certificates from S&P Global Ratings. See “RATING” in the Preliminary Official Statement.

**Book-Entry Only.** The Series 2022A Certificates will be issued in registered form, in denominations of \$5,000 or integral multiples thereof. The Series 2022A Certificates will be issued in registered, book-entry-only form, and all bidders for the Series 2022A Certificates must be participants of The Depository Trust Company, New York, New York (“DTC”) or affiliated with its participants. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and for the transfer of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Series 2022A Certificates on behalf of the individual purchasers. Individual purchases be made in the principal amount of \$5,000 or any multiple thereof through book entries made on the books and records of DTC and its participants. Unless the book-entry-only system is discontinued, Series 2022A Certificate principal and interest payments will be made by the County to DTC through the Trustee.

**Authorization.** The Series 2022A Certificates are being issued pursuant to and in full conformity with the Constitution and laws of the State of Colorado, the Resolution and the Supplemental Public Securities Act, Part 2 of Article 57, Title 11, C.R.S.

## **TERMS OF SALE**

**Submission of Bids.** A prospective bidder must electronically submit a bid for the Series 2022A Certificates via PARITY. Bids must be submitted electronically via PARITY in accordance with this Notice of Sale, until 10:00 a.m., MDST, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY, potential bidders contact the County’s Municipal Advisor at Ehlers & Associates, Inc., 3060 Centre Pointe Drive, Roseville, Minnesota 5511, Telephone (651) 697-8572, or BIDCOMP/PARITY at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 404-8153; Fax (212) 849-5021.

**Bidding Parameters.** Bidders are required to submit unconditional bids specifying the rate of interest and premium, if any, at which the bidder will purchase not less than 99.50% (\$125,723,225\*) of the Series 2022A Certificates. Pursuant to the Resolution, the net effective interest rate on the Series 2022A Certificates must not exceed 5.00%.

**Information Regarding Bids.** Bidders may change and submit bids as many times as they wish during the bidding. During the bidding, no bidder will see any other bidder’s bid.

**Bids Constitute an Irrevocable Offer.** Each bid submitted through PARITY shall be deemed an irrevocable offer to purchase the Series 2022A Certificates on the terms provided in this Notice of Sale and shall be binding upon the bidder.

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\* Preliminary; subject to adjustment as set forth herein.

**Purchase Price.** The purchase price bid shall not be less than 99.50% (\$125,723,225\*) of the Series 2022A Certificates, nor will any net discount or commission be allowed or paid on the sale of the Series 2022A Certificates.

**Basis of Award.** The Series 2022A Certificates will be sold to the bidder offering to purchase the Series 2022A Certificates at the lowest TIC. The actuarial yield on the Series 2022A Certificates using the TIC method will be computed at that yield which, if used to compute the present value of all payments of principal and interest on the Series 2022A Certificates as of the date of the Series 2022A Certificates, i.e., July 19, 2022, produces an amount equal to the aggregate bid price. Such calculation will be made based upon a 360-day year and a semi-annual interval for compounding.

The winning bid will be indicated on PARITY, and the auction results, as posted on such website, will be subject to verification by the County and the Municipal Advisor. The County and the Municipal Advisor will verify the auction results immediately following the close of the bidding period and notice of confirmation by the County and the Municipal Advisor of the winning bidder will be made by a posting on PARITY under the “Results” link.

**If two or more bids have the same TIC, the first bid submitted, as determined by reference to the time stamp displayed on PARITY, shall be deemed to be the leading bid.**

**Sale Reservations.** The County reserves the right (a) to reject any and all bids for any Series 2022A Certificates, (b) to reoffer any Series 2022A Certificates for public or negotiated sale and (c) to waive any irregularity or informality in any bid.

**Good Faith Deposit.** A good faith deposit (“Deposit”) in the amount of \$1,250,000 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by the Municipal Advisor no later than two hours after the bid deadline. Wire transfer instructions will be provided to the winning bidder by the Municipal Advisor after the tabulation of proposals. The County reserves the right to award the Series 2022A Certificates to a winning bidder whose wire transfer is initiated but not received by such time, provided that such winning bidder’s federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the County may award the Series 2022A Certificates to the bidder submitting the next best proposal provided such bidder agrees to such award. The Deposit will be retained by the County as liquidated damages if the proposal is accepted and the winning bidder fails to comply therewith.

The County and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that the Municipal Advisor shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; (2) If the proposal is not accepted, the Municipal Advisor shall, at its expense, promptly return the Deposit amount to the winning bidder; (3) If the proposal is accepted, the Deposit shall be returned to the winning bidder at the closing; (4) The Municipal Advisor shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; (5) The Municipal Advisor shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or

recklessly disregards, its duties specified herein; and (6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

***Manner and Time of Delivery.*** The Series 2022A Certificates will be delivered to DTC for the account of the winning bidder at the expense of the County on July 19, 2022 (the “Closing Date”) or such later date as the County and the winning bidder agree. The winning bidder will not be required to accept delivery of the Series 2022A Certificates if they are not tendered for delivery by the County on the Closing Date, or such later date as the County and the winning bidder agree; provided that delivery of any Series 2022A Certificates is conditioned upon the receipt by the County of a certificate as to their issue price. See “—Issue Price Certificate” below. Payment of the purchase price due at delivery must be made in Federal Reserve funds for immediate and unconditional credit to the County.

The good faith deposit of the winning bidder will be credited to the purchaser at the time of delivery of the Series 2022A Certificates (without accruing interest). If the winning bidder for the Series 2022A Certificates fails or neglects to complete the purchase of the Series 2022A Certificates within five days after such Series 2022A Certificates are made ready and are tendered for delivery, the amount of its good faith deposit will be forfeited (as liquidated damages for non-compliance with the bid) to the County, except as hereinafter provided.

***Official Statement.*** The Preliminary Official Statement, dated June 20, 2022, and the information contained therein have been deemed final by the County as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”) with permitted omissions, but is subject to change without notice and to completion or amendment in the Final Official Statement in final form (the “Final Official Statement” or the “Official Statement”). The Notice of Sale and the Preliminary Official Statement may be viewed and downloaded at [www.meritos.com](http://www.meritos.com). Bidders may also obtain a copy of the Preliminary Official Statement from the Municipal Advisor prior to the bid opening by making a request utilizing the bond sale link found at [www.ehlers-inc.com](http://www.ehlers-inc.com).

The County, at its expense, will make available to the winning bidder, within seven (7) business days after the award of the sale of the Series 2022A Certificates, up to 10 physical copies of the Final Official Statement, and additional copies of the Final Official Statement be provided at the winning bidder’s expense. The winning bidder must cooperate in providing the information required to complete the Final Official Statement. The County will also provide the Final Official Statement to the winning bidder in electronic form.

The winning bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board.

***Continuing Disclosure Undertaking.*** The County has covenanted to provide, in a timely manner to the municipal securities information repository at <http://emma.msrb.org>, notice of the occurrence of specified, material events and to provide certain financial information on an annual basis as more fully set forth in the Preliminary Official Statement. Reference is made to the Preliminary Official Statement for a more complete description of the County’s continuing disclosure undertaking obligations.

**State Securities Laws.** The County has taken no action to qualify the offer or sale of the Series 2022A Certificates under the securities laws of any state. Should any such qualification be necessary, the County agrees to cooperate with the winning bidder in such matters, provided that the County reserves the right not to consent to service of process outside its boundaries and expenses related to any such qualification shall be the responsibility of the winning bidder.

**CUSIP Numbers.** CUSIP numbers will be issued and printed on the Series 2022A Certificates. Any error or omission in printing such numbers on the Series 2022A Certificates will not constitute cause for the winning bidder to refuse delivery of any Series 2022A Certificate. All expenses in relation to obtaining the CUSIP numbers and printing of the CUSIP numbers on the Series 2022A Certificates shall be paid for by the winning bidder.

**Legal Opinion and Transcript of Proceedings.** Bids shall be conditioned upon receipt of the approving legal opinion of Co-Bond Counsel, Kutak Rock LLP and Tate Law, P.C., but must in any and all other respects be unconditional. In the opinion of Co-Bond Counsel, to be delivered substantially in the form set forth in the Preliminary Official Statement, the Series 2022A Certificates will evidence valid assignments of undivided interests in the Base Rentals to be received under the Lease payable on the terms and subject to the conditions and limitations stated in such opinion and Series 2022A Certificates. In the opinion of Co-Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations by the County and continuing compliance by the County with certain covenants, amounts designated and paid as interest on the Series 2022A Certificates (including any original issue discount properly allocable to the owners of the Series 2022A Certificates) is excludable from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax; and, under existing Colorado statutes, amounts designated and paid as interest on the Series 2022A Certificates are exempt from income taxation in the State of Colorado, all as described in greater detail under the caption "TAX MATTERS" in the Preliminary Official Statement. Co-Bond Counsel, acting as such, has no responsibility for the accuracy or completeness of any information furnished to any person in connection with any offer or sale of the Series 2022A Certificates. A certified transcript of legal proceedings and the approving opinions of Kutak Rock LLP and Tate Law, P.C., as Co-Bond Counsel, and not to exceed 10 copies of the Final Official Statement pertaining to the Series 2022A Certificates, will be furnished at no expense to the purchaser.

**Establishment of Issue Price.** The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Series 2022A Certificates pursuant to the provisions of the Internal Revenue Code of 1986, as amended. The issue price of the Series 2022A Certificates shall be established as follows:

- A. The winning bidder shall assist the County in establishing the issue price of the Series 2022A Certificates and shall execute and deliver to the County at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Series 2022A Certificates, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix A, with such modifications as may be appropriate or necessary (including but not limited to address the matters set forth in paragraphs D and E below), in the reasonable



judgment of the winning bidder, the County and Co-Bond Counsel. All actions to be taken by the County under this Notice of Sale to establish the issue price of the Series 2022A Certificates may be taken on behalf of the County by the Municipal Advisor, and any notice or report to be provided to the County may be provided to the Municipal Advisor.

B. The County intends that the provisions of Section 1.148-1(f)(3)(i) of the Treasury Regulations (defining “competitive sale” for purposes of establishing the issue price of the Series 2022A Certificates) will apply to the initial sale of the Series 2022A Certificates (the “competitive sale requirements”) because:

1. The County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
2. all bidders shall have an equal opportunity to bid;
3. the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the County anticipates awarding the sale of the Series 2022A Certificates to the bidder who submits a firm offer to purchase the Series 2022A Certificates at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Series 2022A Certificates, as specified in this bid.

C. If all the requirements of a “competitive sale” are not satisfied, the County shall advise the winning bidder of such fact prior to the time of award of the sale of the Series 2022A Certificates to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal, and the County agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Series 2022A Certificates. Notwithstanding the foregoing sentence, the County will treat the first price at which 10% of a maturity of the Series 2022A Certificates is sold to the public (the “10% test”) at the time and date of the award as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity), and the winning bidder shall advise the County if any maturity of the Series 2022A Certificates satisfies such 10% test as of the date and time of the award of the Series 2022A Certificates. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Series 2022A Certificates that do not meet the 10% test at the time and date of the award: (1) the 10% test; or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Series 2022A Certificates (the “hold-the-offering-price rule”).

- D. If all of the requirements of a “competitive sale” are not satisfied and the winning bidder selects the hold-the-offering-price rule, with respect to the Series 2022A Certificates that do not satisfy the 10% test as of the date and time of the award of the Series 2022A Certificates, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Series 2022A Certificates to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Series 2022A Certificates, that the underwriters will neither offer nor sell unsold Series 2022A Certificates of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
1. the close of the fifth (5<sup>th</sup>) business day after the sale date; or
  2. the date on which the underwriters have sold at least 10% of that maturity of the Series 2022A Certificates to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the County when the underwriters have sold 10% of that maturity of the Series 2022A Certificates to the public at a price that is no higher than the initial offering price to the public if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

The County acknowledges that in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2022A Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2022A Certificates to the public, the agreement of each broker-dealer that is party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2022A Certificates.

- E. If all the requirements of a “competitive sale” are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the

County, Co-Bond Counsel and the Municipal Advisor the prices at which the Series 2022A Certificates have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Series 2022A Certificates or until all the Series 2022A Certificates of a certain maturity have been sold.

- F. By submitting a bid, each bidder confirms that (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2022A Certificates to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2022A Certificates of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series 2022A Certificates of that maturity or all Series 2022A Certificates of that maturity have been sold to the public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Series 2022A Certificates to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Series 2022A Certificates to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2022A Certificates of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Series 2022A Certificates of that maturity or all Series 2022A Certificates of that maturity have been sold to the public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.
- G. Sales of any Series 2022A Certificates to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:
1. “public” means any person other than an underwriter or a related party,
  2. “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2022A Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2022A Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2022A Certificates to the public),

3. a purchaser of any of the Series 2022A Certificates is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
4. “sale date” means the date that the Series 2022A Certificates are awarded by the County to the winning bidder.

***Right to Modify or Amend Notice of Sale.*** The County reserves the right to modify or amend this Notice of Sale and the Bid Form, prior to the bid date. If any modifications occur, supplemental information with respect to the Series 2022A Certificates will be communicated by posting on the PARITY website not later than 3:00 p.m., Mountain Time on the day preceding the day on which proposals be submitted, and bidders shall bid upon the Series 2022A Certificates based upon the terms thereof set forth in this Notice of Sale, as so modified by such supplemental information.

***Postponement of Sale.*** The County reserves the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by posting on PARITY prior to commencement of the bidding. If any date and time fixed for the receipt of bids and the sale of the Series 2022A Certificates is postponed, an alternative sale date and time will be announced at least one business day prior to such alternative sale date. On any such alternative sale date and time, any bidder submits bids electronically as described above for the purchase of the Series 2022A Certificates in conformity in all respects with the provision of this Notice of Sale, except for the date and time of sale and except for any changes announced by posting on PARITY at the time the sale date and time are announced.

Dated this 20<sup>th</sup> day of June, 2022.

PUEBLO COUNTY, COLORADO

By /s/  
Budget and Finance Director

**APPENDIX A  
FORM OF ISSUE PRICE CERTIFICATE**

§ \_\_\_\_\_  
**Certificates of Participation, Series 2022A  
(Jail Project)  
Evidencing Undivided Interests in the Right to  
Receive Certain Revenues Payable by  
Pueblo County, Colorado  
under a Lease Purchase Agreement  
between the County and UMB Bank, n.a.**

**ISSUE PRICE CERTIFICATE**

[CLOSING DATE]

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Series 2022A Certificates”) relating to the captioned Lease Purchase Agreement between Pueblo County, Colorado (the “County”), as lessee, and UMB Bank, n.a., as lessor. [Sections 1 and 2 and schedules to be adjusted in execution version as necessary if all the requirements of a “competitive sale” are not satisfied.]

1. ***Reasonably Expected Initial Offering Price.***

(a) As of [THE SALE DATE], the reasonably expected initial offering prices of the Series 2022A Certificates to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Series 2022A Certificates used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Series 2022A Certificates. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Series 2022A Certificates.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Series 2022A Certificates.

2. ***Defined Terms.***

(a) “*Maturity*” means Series 2022A Certificates with the same credit and payment terms. Series 2022A Certificates with different maturity dates, or Series 2022A Certificates with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an

Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2022A Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2022A Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2022A Certificates to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the County with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Series 2022A Certificates, and by Kutak Rock LLP and Tate Law, P.C. in connection with rendering its opinion that the interest on the Series 2022A Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the County from time to time relating to the Series 2022A Certificates.

IN WITNESS WHEREOF, the undersigned, on behalf of [SHORT NAME OF UNDERWRITER], has set his or her hand as of the date first written above.

[UNDERWRITER]

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

SCHEDULE A  
EXPECTED OFFERING PRICES  
[ATTACH]

SCHEDULE B  
UNDERWRITER'S BID  
[ATTACH]