
Notice of Sale and Bid Form

Notes:

- **The Bonds are to be awarded on a True Interest Cost (TIC) basis to be calculated as described herein.**
- **No bid for less than all of the Bonds offered or for less than 98% of the aggregate principal amount of the Bonds will be entertained.**

\$29,470,000*
Town of Apex, North Carolina
Taxable General Obligation Refunding Bonds
Series 2020

*Sealed and Electronic Bids Will Be Received Until 11:00 A.M., North Carolina Time,
October 27, 2020*

* Preliminary, subject to change as provided herein.

NOTICE OF SALE

\$29,470,000*

**TOWN OF APEX, NORTH CAROLINA
TAXABLE GENERAL OBLIGATION REFUNDING BONDS
SERIES 2020**

Sealed and electronic bids (as described below) will be received until 11:00 A.M., North Carolina Time, October 27, 2020, by the undersigned at its office at 3200 Atlantic Avenue, Longleaf Building, Raleigh, North Carolina 27604, such bids to be opened in public at said time and place on said day for the purchase of \$29,470,000* Taxable General Obligation Refunding Bonds, Series 2020 (the "Bonds") of the Town of Apex, North Carolina (the "Town"), dated their date of delivery, and maturing* annually, June 1, \$15,000 in 2021, \$360,000 in 2022, \$1,475,000 in 2023, \$1,505,000 in 2024, \$1,530,000 in 2025, \$1,560,000 in 2026, \$1,615,000 in 2027, \$1,745,000 in 2028, \$1,810,000 in 2029, \$1,880,000 in 2030, \$1,950,000 in 2031, \$2,005,000 in 2032, \$2,090,000 in 2033, \$2,145,000 in 2034, \$2,650,000 in 2035, \$2,590,000 in 2036 and \$2,545,000 in 2039.* There will be no auction.

Proposals may be delivered by hand, by mail or electronically. Electronic proposals must be submitted via BiDCOMP/PARITY, but no proposal shall be considered which is not actually received by the Local Government Commission (the "Commission") at the place and on or prior to the date and time specified above for submission of bids. The Commission shall not be responsible for any failure, misdirection or error in the means of transmission selected by any firm submitting a proposal.

The Town reserves the right to change, cancel or reschedule, from time to time, the date or time established for the receipt of bids and will undertake to notify registered prospective bidders via notification published on BiDCOMP/PARITY, or by other means as necessary. The Town may change the scheduled delivery date for the Bonds by notice given in the same manner as that set forth for a change in the date for the receipt of bids.

To the extent any instructions or directions set forth in BiDCOMP/PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about BiDCOMP/PARITY, potential purchasers may contact BiDCOMP/PARITY at (212) 849-5021. Each prospective purchaser is solely responsible for making necessary arrangements to access BiDCOMP/PARITY for purposes of submitting its proposal in a timely manner and in compliance with this Notice of Sale. The terms of this Notice of Sale and the sale of the Bonds shall be governed by North Carolina law.

The Commission does not have a registration process for prospective purchasers. Prospective purchasers who intend to submit their proposal by BiDCOMP/PARITY must register and be contracted customers of i-Deal LLC's BiDCOMP competitive bidding system before the sale. By submitting a bid for the Bonds, the prospective purchaser represents and warrants to the Commission that such proposal is submitted for and on behalf of the prospective purchaser by an officer or agent who is duly authorized to bind the prospective purchaser to a legal, valid and enforceable contract for the purchase of the Bonds. **Neither the Commission nor the Town have reviewed or verified the accuracy or completeness of the information contained in BiDCOMP/PARITY and assume no responsibility for the accuracy or completeness of such information.**

The Bonds will be issued as fully registered bonds in a book-entry only system under which The Depository Trust Company ("DTC") will act as securities depository for the Bonds as fully described in the Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"). Purchases and transfers of the Bonds may be made only in authorized denominations of \$5,000 and in accordance with the practices and procedures of DTC.

* Preliminary; subject to change as provided herein.

Interest on the Bonds will be payable on each June 1 and December 1, beginning June 1, 2021, and the principal of the Bonds will be payable at maturity to DTC or its nominee, as registered owner of the Bonds.

The Bonds will be general obligations of the Town, for the payment of the principal of and interest on which all the taxable real and tangible personal property within the Town will be subject to the levy of an ad valorem tax, without limitation as to rate or amount.

The Bonds maturing on or prior to June 1, 2030 will not be subject to redemption prior to maturity. The Bonds maturing on June 1, 2031 and thereafter will be subject to redemption, at the option of the Town, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than June 1, 2030, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued thereon to the date fixed for redemption.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot in such manner as the Town in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some whole multiple thereof and that, in selecting Bonds of such series for redemption, each such Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bonds by \$5,000. So long as a book-entry system with DTC is used for determining beneficial ownership of the Bonds, if less than all of the Bonds within a maturity are to be redeemed, DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed by lot. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be called in such manner as the Town may determine.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Town will cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part to his address appearing upon the registration books of the Town, provided that such notice to Cede & Co. will be given by certified or registered mail or otherwise as prescribed by DTC. Failure to mail such notice or any defect therein will not affect the validity of the redemption as regards registered owners to whom such notice was properly given. The Town will not be responsible for mailing notices of redemption to anyone other than DTC or its nominee for so long as DTC or its nominee is the sole registered owner of the Bonds.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Bond Registrar on or prior to the redemption date of moneys sufficient to pay the redemption price of and interest on the Bonds to be redeemed, and that if such moneys are not so received, such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the redemption price and interest on such Bonds are not received by the Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

On the date fixed for redemption, notice having been given as hereinabove described, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, are held by the Bond Registrar in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under the

resolution providing for their issuance or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to such redemption date. If a portion of a Bond shall have been selected for redemption, a new Bond or Bonds of the same maturity, of any authorized denomination or denominations and bearing interest at the same rate shall be delivered for the unredeemed portion of the principal amount of such Bond.

Bidders are requested to name the interest rate or rates, in multiples of 1/8 or 1/20 of 1%, and each bidder must specify in its bid the amount and the maturities of the Bonds of each rate. All Bonds maturing on the same date must bear interest at the same rate, and the interest rate on any Bond shall be the same throughout its life. No bid for less than all the Bonds offered or for less than 98% of the aggregate principal amount of the Bonds will be entertained. The Bonds will be awarded to the bidder offering to purchase the Bonds at the lowest interest cost to the Town, such cost to be determined in accordance with the true interest cost (TIC) method by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments from the interest payment dates to the proposed delivery date (November 17, 2020), and equal to the price bid.

Bidders may provide in the bid form for all of the bonds to be issued as serial bonds or may designate consecutive annual principal amounts of the bonds (beginning not earlier than the principal amount due on June 1, 2031) to be combined into not more than two term bonds. In the event that a bidder chooses to specify one or two term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on June 1 of the first year which has been combined to form such term bonds and continuing on each June 1 thereafter until the stated maturity date of such term bond. The amount to be redeemed in any year shall be equal to the principal amount for such year set forth in the amortization schedule for the bonds set forth above. Term bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at a redemption price equal to 100% of the principal amount of such term bonds to be redeemed and shall be selected by lot from among the term bond being redeemed.

The aggregate principal amount and the principal amount of each maturity of the Bonds as described above and set forth in the Bid Form attached hereto are subject to adjustment after the receipt and opening of sealed bids for their purchase as described below. The aggregate principal amount of the Bonds may be increased or decreased after the receipt and opening of sealed bids for their purchase in an amount determined by the Town in its sole discretion. The principal amount of each maturity of the Bonds may be increased or decreased by an amount not to exceed 30% of the principal amount shown above for each such maturity; provided, however, that the aggregate principal amount of the Bonds shall not exceed \$32,000,000. The bid price paid by the successful bidder will be adjusted to reflect any adjustments in the principal amount of the Bonds. Such adjusted bid will reflect changes in the dollar amount of the underwriting discount and original issue discount or premium, but will not change the underwriting discount percentage based on the bid price in the winning bid and the initial reoffering prices. The interest rate specified by the successful bidder for each maturity in its bid will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

As promptly as reasonably practicable after the bids are opened, the Commission will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and within 30 minutes of receipt of such notice, such bidder shall provide to the Commission by electronic mail or facsimile transmission the initial offering prices and yields to the public of each maturity of the Bonds. Such offering prices and yields, among other things, will be used by the Town to calculate the final aggregate principal amount of the Bonds and the final principal amount of each maturity of the Bonds. It is anticipated

that the final aggregate principal amount of the Bonds and the final principal amount of each maturity of the Bonds will be communicated to the successful bidder by 5:00 p.m., North Carolina Time, on the sale date.

Bidders may Contact Davenport and Company LLC, Charlotte, North Carolina, at 704-644-5414 (Attention: Mitch Brigulio) or at 704-644-5415 (Attention: Brandon DeCoste) for more information.

Each bid delivered by hand or by mail must be submitted on a form to be furnished with additional information by the undersigned and must be enclosed in a sealed envelope marked "Bid for Bonds (Town of Apex Taxable General Obligation Refunding Bonds, Series 2020)." A good faith deposit (the "Deposit") in the amount of **\$589,400** will be required for each bid. The Deposit may be submitted in the form of an official bank check, a cashier's check or a certified check upon an incorporated bank or trust company payable unconditionally to the order of the State Treasurer of North Carolina accompanying the bid. Alternatively, the successful bidder's Deposit may be in the form of a wire transfer sent by the successful bidder upon initial notification of the award of the Bonds. Award or rejection of bids will be made on the date above stated for receipt of bids, and any checks of unsuccessful bidders will be returned immediately. If the Deposit of the successful bidder is provided by check, the check of the successful bidder will be cashed by the State Treasurer. If the Bonds are awarded to a bidder whose Deposit is by wire transfer, the successful bidder must submit its Deposit to the State Treasurer no later than 2:00 P.M. North Carolina Time on the date of the award of the Bonds, to the bank account instructed to the successful bidder by the Commission during the initial notification of the award. If the Deposit is not received by that time, the Commission will reject its award to the initial successful bidder and will contact the next lowest bidder and offer said bidder the opportunity to become the successful bidder, on the terms as outlined in said bidder's bid, so long as a wire transfer of the Deposit is submitted by said bidder within two hours of the time offered. The Commission will not award the Bonds to the successful bidder absent receipt of the Deposit prior to awarding the Bonds. The Deposit of the successful bidder will be invested solely for the benefit of the Town, and no interest on the Deposit will accrue to the successful bidder. At closing, the principal amount of the Deposit will be applied, without interest, as partial payment for the Bonds. In the event that the successful bidder fails to comply with the terms of its bid, the Deposit and any interest earnings will be retained as and for full liquidated damages. If the Town fails to deliver the Bonds, then the Deposit and any interest earnings will be remitted to the successful bidder as and for full liquidated damages.

The CUSIP Service Bureau will be requested to assign CUSIP identification numbers to the Bonds. Assignment of CUSIP identification numbers is solely within the discretion of the CUSIP Service Bureau, and neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of or pay for the Bonds in accordance with the terms of its bid. All expenses in relation to the printing of CUSIP numbers on the Bonds and the CUSIP Service Bureau charge for the assignment of such numbers shall be paid for by the Town.

The Town Council of the Town has adopted a resolution undertaking, for the benefit of the beneficial owners of the Bonds, to provide the information described under the heading "CONTINUING DISCLOSURE" in the Preliminary Official Statement in the manner provided therein.

The Bonds will be delivered on or about November 17, 2020, against payment therefor in federal reserve funds, at DTC.

The approving opinion of Womble Bond Dickinson (US) LLP, Raleigh, North Carolina, Bond Counsel, the proposed form of which appears in the Preliminary Official Statement, will be furnished without cost to the purchaser. There will also be furnished the usual closing papers.

The right to reject all bids and to waive any irregularities or informalities is reserved.

Copies of the Preliminary Official Statement and the Notice of Sale and Bid Form relating to the Bonds may be obtained from the Local Government Commission, Longleaf Building, 3200 Atlantic Avenue, Raleigh, North Carolina 27604 (919-814-4300).

The Preliminary Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information to be made available by the successful bidder to the Commission for inclusion in a final Official Statement for the Bonds (the "Final Official Statement"). By the submission of a bid for the Bonds, the successful bidder contracts for the receipt of up to one hundred (100) copies of the Final Official Statement which will be delivered by the Commission to the successful bidder by November 5, 2020. In order to complete the Final Official Statement, the successful bidder must furnish on behalf of the underwriters of the Bonds the following information to the Commission by facsimile transmission (919-855-5812) or overnight delivery received by the Commission within 24 hours after the receipt of bids for the Bonds:

- a. Initial offering prices (expressed as a price or yield per maturity). The successful bidder must provide the initial public offering prices, as the Commission and the Town will not include an "NRO" ("not reoffered") designation to any maturity of the Bonds in the Final Official Statement.
- b. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars).
- c. The identity of the underwriters if the successful bidder is a part of a group or syndicate.
- d. Any other material information necessary for the Final Official Statement but not known to the Commission or the Town (such as the bidder's purchase of credit enhancement).

Concurrently with the delivery of the Bonds, the Mayor, the Town Manager and the Finance Director of the Town will deliver to the purchaser of the Bonds a certificate stating that, to the best of their knowledge, the Preliminary Official Statement did not, as of its date and as of the sale date, and the Final Official Statement does not, as of the date of delivery of the Bonds, contain an untrue statement of a material fact or omit to state a material fact required to be included therein for the purpose for which the Preliminary Official Statement or the Final Official Statement is to be used or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided such certificate shall not include consideration of information supplied by, or which should have been supplied by, the successful bidder for the Bonds for inclusion in the Final Official Statement.

In addition, concurrently with the delivery of the Bonds, the Secretary of the Commission will deliver to the purchaser of the Bonds a certificate stating that nothing has come to his attention which would lead him to believe that the Preliminary Official Statement, as of its date and as of the sale date, and the Final Official Statement, as of the date of delivery of the Bonds, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact required to be included therein for the purpose for which the Preliminary Official Statement or the Final Official Statement is to be used or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided such certificate shall not include consideration of information supplied by, or which should have been supplied by, the successful bidder for the Bonds for inclusion in the Final Official Statement.

**LOCAL GOVERNMENT COMMISSION
Raleigh, North Carolina**

Greg C. Gaskins
Secretary of the Commission

BID FOR BONDS

_____, 2020

Local Government Commission
 Longleaf Building
 3200 Atlantic Avenue
 Raleigh, North Carolina 27604

Ladies and Gentlemen:

Subject to the provisions and in accordance with the terms set forth in the Notice of Sale and Bid Form relating to the bonds hereinafter mentioned, which provisions and terms are hereby made a part of this bid, we make the following bid for the \$29,470,000* Taxable General Obligation Refunding Bonds, Series 2020, this bid being for not less than all of said bonds:

For the \$29,470,000* Taxable General Obligation Refunding Bonds, Series 2020 maturing and bearing interest as follows:

For the Bonds maturing on June 1 of the years and bearing interest as follows:

<u>Year of Maturity</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
2021	\$____,000	_____%	2031	\$____,000	_____%
2022	____,000	_____%	2032	____,000	_____%
2023	____,000	_____%	2033	____,000	_____%
2024	____,000	_____%	2034	____,000	_____%
2025	____,000	_____%	2035	____,000	_____%
2026	____,000	_____%	2036	____,000	_____%
2027	____,000	_____%	2037	____,000	_____%
2028	____,000	_____%	2038	____,000	_____%
2029	____,000	_____%	2039	____,000	_____%
2030	____,000	_____%			

We will pay \$29,470,000* plus a premium of \$_____.

(CROSS OUT THE SERIAL BOND MATURITIES BEING BID AS TERM BONDS –FIRST YEAR MAY NOT BE EARLIER THAN JUNE 1, 2031)

Term Bonds (Optional – No More Than Two Term Bonds)

<u>First Year of Mandatory Redemption</u>	<u>Year of Maturity</u>	<u>Total Principal Amount of Term Bond</u>	<u>Interest Rate</u>
_____	_____	\$_____	____%
_____	_____	\$_____	____%

We will accept delivery of said bonds at The Depository Trust Company in accordance with said Notice of Sale.

*Preliminary, subject to change as provided in said Notice of Sale.

One of the following two paragraphs must be checked and completed as appropriate:

- () We enclose herewith a check for **\$589,400** payable to the State Treasurer of North Carolina, to provide the good faith deposit required by said Notice of Sale. In the event this bid is the successful bid, then said check will be cashed in accordance with the terms of said Notice of Sale. Otherwise, said good faith deposit is to be returned to the undersigned.
- () A good faith deposit of **\$589,400** is not enclosed, but will be delivered to the State Treasurer of North Carolina by wire transfer by 2:00 p.m. on the date hereof if the undersigned is the successful bidder for said bonds in accordance with the terms in said Notice of Sale. Said good faith deposit is to be applied in accordance with the terms in said Notice of Sale.

The closing papers referred to in said Notice of Sale are to include a certificate, dated as of the respective date of the delivery for each series of bonds, stating that there is no litigation pending or, to the knowledge of the signer(s) of such certificate, threatened affecting the validity of said bonds.

To obtain initial offering prices and yields for said bonds, please contact

_____ at _____.
Name Telephone Number

Name of Firm

Authorized Officer

(No addition or alteration, except as provided above, is to be made to this bid, which may be detached from the annexed Notice of Sale. Bidder may for information only enter its calculation of true interest cost to be _____%. This information is neither required nor to be construed as a part of the foregoing bid.)