

**NOTICE OF SALE
THE STATE OF DELAWARE**

\$69,085,000*
GENERAL OBLIGATION REFUNDING BONDS - SERIES 2024B

Introduction

Notice is hereby given that The State of Delaware (the “State”) will receive electronic bids only for the purchase of all of its General Obligation Refunding Bonds - Series 2024B (the “2024B Bonds”) at the offices of the Secretary of Finance, Carvel State Office Building, 820 N. French Street, 8th Floor, Wilmington, Delaware 19801, on

Tuesday, April 30, 2024

until 11:15 a.m. Eastern Time, at which time and place all proposals received will be publicly opened. If no proposal received on such date is accepted by the State, the State will again receive proposals for the 2024B Bonds on such later day or days and at such time or times as shall be determined by the State, at the offices of the Secretary of Finance, as set forth above, until such 2024B Bonds are sold or this Notice of Sale (the “Notice”) is withdrawn by the State. Each date on which proposals are to be received in accordance with this Notice shall hereinafter be referred to as a “Bid Date”.

The State is also offering for sale an additional series of tax-exempt general obligation bonds designated as its General Obligation Bonds, Series 2024A (the “2024A Bonds”). The 2024A Bonds will be offered pursuant to a separate Notice of Sale for a competitive sale on Tuesday, April 30, 2024 at 10:45 a.m. Eastern Time. The 2024A Bonds are being issued to finance various capital projects of the State.

Notice of any day, other than Tuesday, April 30, 2024 for receiving proposals for the 2024A Bonds will be communicated by the State through TM3 News Service (“TM3”) (www.TM3.com).

The Notice of Sale and Proposal for 2024B Bonds, together with the Preliminary Official Statement issued in connection with the sale of the 2024B Bonds, may be obtained at www.i-dealprospectus.com or from the State’s Financial Advisor, PFM Financial Advisors LLC, 1735 Market Street, 42nd Floor, Philadelphia, Pennsylvania, 19103, (215) 567-6100, by request to Geoff Stewart (ext. 1484) or Joseph Breen (ext. 1216).

Prospective bidders are urged to watch TM3 for changes in the principal amount, amortization schedule, and date and time for the receipt of bids.

* Preliminary, subject to change as discussed herein. See “Adjustment of Principal Amortization Schedule.”

Description of the 2024B Bonds

The 2024B Bonds will be dated the date of issuance with interest payable from the date of issuance commencing July 1, 2024 and thereafter semi-annually on each July 1 and January 1 on the outstanding principal amount thereof and will mature in the amounts, and on the dates as follows:

PRINCIPAL AMORTIZATION SCHEDULE*

<u>July 1</u>	<u>Principal Amount for the 2024B Bonds</u>
2025	\$ 3,800,000
2026	3,600,000
2027	3,565,000
2028	3,535,000
2030	10,810,000
2031	10,790,000
2032	10,860,000
2033	10,990,000
2034	11,135,000

Adjustment of Principal Amortization Schedule

The principal amounts set forth in this Notice reflect estimates of the State and its Financial Advisor with respect to the likely interest rates of the winning bid and the premium/discount contained in such bid, and various other factors. The principal amortization schedule may be adjusted by the State prior to any Bid Date (including by removing part or all of one or more principal maturities, as described below, or by adding principal maturities) and, if any such adjustment is made, bidders must bid on the basis of the adjusted schedule. Such changes, if any, will be communicated by the State through TM3.

After selecting the winning bid, the principal amortization schedule may be adjusted as determined by the State's Financial Advisor in \$1,000 increments to reflect the actual interest rates, any premium/discount in the winning bid, and the creation of a more desirable debt service structure on the 2024B Bonds and the State's outstanding bonds. As a result the aggregate principal amount of the 2024B Bonds may be increased or decreased; *provided, however*, such increase or decrease shall not exceed 10% of the aggregate principal amount of the 2024B Bonds. The dollar amount bid by the successful bidder shall be adjusted to reflect any adjustments in the principal amount of the 2024B Bonds. The adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and the original issue premium, but will not change the per bond underwriter's discount as calculated from the bid, and the Initial Public Offering Prices (as hereinafter defined) required to be delivered to the State.

Serial Bonds

The 2024B Bonds are being offered only as serial bonds.

* Preliminary, subject to change. See "Adjustment of Principal Amortization Schedule."

Optional Redemption

The 2024B Bonds are not subject to redemption prior to maturity.

Interest Rate and Bidding Details

Bidders are required to name the interest rate in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%). Each bidder must specify in its proposal the interest rate for the 2024B Bonds of each maturity, and all 2024B Bonds maturing on the same date (which are subject to bids) must bear interest at the same rate which shall be uniform for the life of such 2024B Bonds. The interest rates specified shall not be below three percent (3%) per annum at a minimum nor exceed five percent (5%) per annum at a maximum.

Bidders may bid to purchase the 2024B Bonds at a premium, however, no proposal to purchase less than all of the 2024B Bonds or to purchase the 2024B Bonds at a purchase price less than one-hundred percent (100%) of the aggregate principal amount of the 2024B Bonds will be entertained.

Form of Bids and Basis of Award

Each proposal should be delivered by electronic bidding system through BiDCOMP/PARITY. The use of BiDCOMP/PARITY shall be at the bidder's risk and expense, and the State shall have no liability with respect thereto. All electronic proposals shall be deemed to incorporate the provisions of the official "Proposal for 2024B Bonds". If any provisions in this official Notice of Sale conflict with information provided by BiDCOMP/PARITY, this Notice of Sale shall control.

The 2024B Bonds will be awarded to the bidder who offers to buy the 2024B Bonds at the lowest true interest cost to the State based on the principal amortization schedule in effect hereunder immediately prior to the time a bid is accepted by the State (the "Award Date").

The lowest true interest cost will be determined by doubling the semi-annual interest rate, compounded semi-annually, necessary to discount the semi-annual debt service payments from the payment dates to the date of the 2024B Bonds and to the price bid. Each bidder is requested to supply an estimate of the true interest cost to the State on the basis of its bid, which shall be considered as informative only and not binding on either the bidder or the State. If two or more bidders offer to purchase the 2024B Bonds at the same lowest true interest cost, the State will determine the winning bidder by lot. Changes in the amortization schedule made as described above will not affect the determination of the winning bidder or give the winning bidder any right to reject such 2024B Bonds. All proposals shall remain firm for three (3) hours after the time specified for the receipt of the proposals, and an award of the 2024B Bonds or rejection of the proposal will be made by the State within such period of time. All proposals shall be unconditional and bidders in submitting bids must use the "Proposal for 2024B Bonds" prepared by the State.

Electronic Bidding

Prospective bidders must be contracted customers of i-Deal, LLC's BiDCOMP Competitive Bidding System. If you do not have a contract with BiDCOMP, call (212) 849-5021 to become a customer. By contracting with BiDCOMP, a prospective bidder is not obligated to submit a bid in connection with the sale.

If any provisions of this Notice of Sale shall conflict with information provided by BiDCOMP/PARITY as approved provider of electronic bidding services, this Notice of Sale shall control. Further information about BiDCOMP/PARITY, including any fee charged may be obtained from BiDCOMP/PARITY, 1359 Broadway, 2nd Floor, New York, New York 10018 – telephone (212) 404-8153. Additional information concerning bidding through BiDCOMP/PARITY may be obtained by calling Client Support, telephone (212) 849-5023.

Bids must be submitted for the purchase of the 2024B Bonds by means of the State's official "Proposal for Bonds" form via BiDCOMP/PARITY. Bids for the 2024B Bonds must be communicated electronically to BiDCOMP/PARITY by 11:15 a.m., Eastern Time, on Tuesday, April 30, 2024. Prior to that time, a prospective bidder may input and save the proposed terms of its bid in BiDCOMP/PARITY. Once the final bid has been saved in BiDCOMP/PARITY, the bidder may select the final bid button in BiDCOMP/PARITY to submit the bid to BiDCOMP/PARITY. Once the bids are communicated electronically via BiDCOMP/PARITY to the State and the applicable sale time has passed, each bid will constitute an irrevocable offer to purchase the 2024B Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on BiDCOMP/PARITY shall constitute the official time.

Each qualified prospective bidder shall be solely responsible to make the necessary arrangements to access BiDCOMP/PARITY for purposes of submitting its bid in a timely manner and in compliance with the requirements of the Notice of Sale. Neither the State nor BiDCOMP/PARITY shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the State nor BiDCOMP/PARITY shall be responsible for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by BiDCOMP/PARITY. The State is using BiDCOMP/PARITY as a communication mechanism, and not as the State's agent, to conduct the electronic bidding for the 2024B Bonds. The State is not bound by any advice and determination of BiDCOMP/PARITY to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid specifications set forth in "Form of Bids and Basis of Award" above. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/PARITY are the sole responsibility of the bidders; and the State is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying or withdrawing a bid for the 2024B Bonds, it should immediately telephone BiDCOMP/PARITY and contact the Director of Bond Finance of the State by telephone at (302) 577-8988 or by facsimile at (302) 577-8982.

Right of Rejection

The State reserves the right, in its discretion, to reject any and all proposals, including any proposals not conforming to this Notice or not in the form of the “Proposal for 2024B Bonds”, and to waive any irregularity or informality in any proposal.

Prompt Award

After receipt and verification of the bids, the State will take prompt action to preliminarily award the 2024B Bonds (the “Preliminary Award”) or reject all proposals not later than 12:00 noon on the Award Date, unless such time of award is waived by the apparent successful bidder. Upon notification of the Preliminary Award, the apparent successful bidder will be required to wire to the State a Good Faith Deposit as further described herein. Timely notification of the formal award (the “Formal Award”) is subject to the State’s receipt of the Good Faith Deposit.

Right to Disaffirm Acceptance of Proposal

Notwithstanding anything herein to the contrary, if the State determines in its judgment that it is unable to deliver the 2024B Bonds, it will so notify the successful bidder. In the event that the 2024B Bonds are not delivered to the successful bidder for other than market-related reasons, the successful bidder will have no right of action against the State and shall only be entitled to the return of an amount equal to its good faith deposit.

Right to Modify or Amend

The State reserves the right to modify or amend this Notice including, but not limited to, the right to adjust and change the principal amount and principal amortization schedule of the 2024B Bonds. Notice of any such modification or amendment shall be communicated by the State through TM3.

Right of Postponement

The State reserves the right to postpone, from time to time, the date established for the receipt of proposals. See “Introduction.”

Good Faith Deposit

The apparent successful bidder, as indicated on BidCOMP/PARITY, must submit a good faith deposit in the amount of \$690,850 (the “Good Faith Deposit”) to the State as provided below. The Good Faith Deposit will secure the State from any loss resulting from the failure of the successful bidder to comply with the terms of its bid. The successful bidder shall transfer the Good Faith Deposit by wire transfer directly to the State upon notification of the Preliminary Award, but in any case, no later than 3:00 p.m., Eastern Time, on the Award Date. Wire instructions will be provided to the successful bidder upon notification of the Preliminary Award.

The Formal Award shall not be made until the State has confirmation of receipt of the Good Faith Deposit, and if the successful bidder fails to so deliver the Good Faith Deposit by the designated time, the State will have the option to withdraw the award and the successful bidder shall be responsible to the State for all consequential damages arising from such withdrawal.

At the time of delivery of the 2024B Bonds, such security will be applied against the purchase price for the 2024B Bonds or will be retained as liquidated damages upon the failure of the successful bidder to take and pay for the 2024B Bonds in accordance with the terms of its proposal. A successful bidder shall have no right in or to said Good Faith Deposit if it fails to complete the purchase of, and payment in full of the purchase price of, the 2024B Bonds for any reason whatsoever, unless such failure of performance shall be caused by an act or omission of the State. No interest will be paid upon the deposit made by the successful bidder. Notwithstanding the foregoing, should a successful bidder fail to pay for the 2024B Bonds at the price and on the date agreed upon, the State retains the right to seek further compensation for damages sustained as a result of the successful bidder so doing.

Interest on 2024B Bonds

Interest on the 2024B Bonds is payable by check or draft mailed to DTC or its nominee as the registered owner of the 2024B Bonds. Principal on the 2024B Bonds will be payable by check or draft delivered to DTC or its nominee in exchange for the applicable 2024B Bonds. Principal and interest are payable in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

Book Entry

The 2024B Bonds will be issued in book-entry form with no physical distribution of Bond certificates made to the public. One Bond certificate for each maturity of the 2024B Bonds will be issued in the name of DTC or its nominee and immobilized in its custody. A book-entry system is expected to be employed showing ownership of the 2024B Bonds in principal amounts of \$1,000, or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC (and its participants) pursuant to rules and procedures established by DTC. The winning bidder, as a condition to delivery of the 2024B Bonds, will be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co., a nominee of DTC. The State does not presently intend to apply for listing of the 2024B Bonds on the New York Stock Exchange.

It is anticipated that CUSIP identification numbers will be assigned to each maturity of the 2024B Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of or pay for the 2024B Bonds in accordance with the terms of this Notice. The CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder for the 2024B Bonds.

Payment and Delivery of 2024B Bonds, Legal Opinion and Closing Certificates

The 2024B Bonds are expected to be delivered on or about May 15, 2024, through the facilities of DTC, in New York, New York upon payment therefor in immediately available Federal Reserve Funds. Payment on the delivery date shall be made in an amount equal to the price bid for such 2024B Bonds (as adjusted pursuant to “Adjustment of Principal and Amortization Schedule”), less the amount of the good faith deposit. The State will make available to the purchaser, without cost to the purchaser, at the time the 2024B Bonds are paid for, the opinions (including the opinion of Saul Ewing LLP, Bond Counsel) and certificates referred to under the caption “Opinions and Certificates Available on Delivery of Bonds” in the Preliminary Official Statement dated April 22, 2024 prepared and distributed by the State in connection with the offering for sale of the 2024B Bonds.

Certification of Issue Price

The State expects and intends that the bid for the 2024B Bonds will satisfy the federal tax requirements for a qualified competitive sale of bonds, including, among other things, receipt of bids for the 2024B Bonds from at least three underwriters, who have established industry reputations for underwriting new issuances of municipal bonds (a “Qualified Competitive Bid”). The State will advise the successful bidder as promptly as possible after the bids are opened whether the bid constitutes a Qualified Competitive Bid. If the requirements of a Qualified Competitive Bid are not satisfied, then all proposals will be rejected, and the State will again receive proposals for the 2024B Bonds on such later day or days and at such time or times as shall be determined by the State, at the offices of the Secretary of Finance, as set forth herein, until such 2024B Bonds are sold or this Notice is withdrawn by the State.

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.

Continuing Disclosure

As a condition of closing on the 2024B Bonds, the State will undertake, pursuant to a Continuing Disclosure Agreement, to provide annual reports and notices of certain events. The Continuing Disclosure Agreement appears as an appendix to the Preliminary Official Statement and will also appear as an appendix to the final Official Statement.

Blue Sky Laws

The successful bidder will be responsible for the clearance or exemption with respect to the status of the 2024B Bonds for sale under the securities or “Blue Sky” laws of the several states and the preparation of any surveys or memoranda in connection therewith.

Official Statement

The State’s Preliminary Official Statement dated April 22, 2024, Notice of Sale and Proposal for 2024B Bonds are available from the State’s Financial Advisor, PFM Financial

Advisors LLC, 1735 Market Street, 42nd Floor, Philadelphia, Pennsylvania 19103, (215) 567-6100, by request to Geoff Stewart (ext. 1484) or Joseph Breen (ext. 1216). The Preliminary Official Statement is in a form “deemed final” by the State for the purpose of Rule 15c2-12(b)(1) of the Securities and Exchange Commission but is subject to revision, amendments and completion in a final Official Statement. The State will provide to the winning bidder, without cost, up to 50 copies of the final Official Statement. Upon request within twenty-four hours of the award to the winning bidder, the State will provide additional copies at the expense of the bidder.

Any questions concerning the sale of the 2024B Bonds should be directed to PFM Financial Advisors LLC.

The State of Delaware

PROPOSAL FOR
STATE OF DELAWARE
GENERAL OBLIGATION REFUNDING BONDS - SERIES 2024B

Secretary of Finance
The State of Delaware
Carvel State Office Building, 8th Floor
Wilmington, DE 19801

Dear Secretary:

For all of the 2024B Bonds described in the annexed Notice of Sale, which is hereby made a part of this bid, on behalf of an underwriting syndicate which we have formed, headed by the undersigned, we will pay as the purchase price therefore, the aggregate sum of _____ Dollars (\$_____).

SCHEDULE OF PRINCIPAL INSTALLMENTS AND INTEREST RATES*

Description of the 2024B Bonds

As reflected in the Notice of Sale, the principal amortization reflected in such Notice of Sale may be adjusted and such adjustment, prior to the date of receiving this bid, shall be communicated by The State of Delaware (the "State") through TM3. The 2024B Bonds shall be payable in the principal amounts set forth below (subject to adjustment as provided in the Notice of Sale) and shall bear interest at the rates set forth by the undersigned bidder in the following schedule:

<u>July 1</u>	<u>Principal Amount</u>	<u>Interest Rate (%)</u>
2025	\$	
2026		
2027		
2028		
2030		
2031		
2032		
2033		
2034		

Each bidder is requested to supply the following for information only and not as a part of the foregoing bid:

True Interest Cost _____%

We agree, as a condition precedent to the consideration of our proposal, to provide the State a good faith deposit in the amount of \$690,850 (the "Good Faith Deposit") upon notification of the preliminary bid award (the "Preliminary Award"). We further agree to transfer the Good Faith Deposit

* Subject to change, as provided in the Notice of Sale.

directly to the State upon notification of the Preliminary Award, but in any case, no later than 3:00 p.m., Eastern Time, on the Award Date (as defined in the Notice of Sale).

We represent that we have full and complete authority to submit this bid on behalf of our bidding syndicate and that the undersigned will serve as the lead manager for the group if the 2024B Bonds are awarded pursuant to this bid.

Accepted and agreed to

Account Manager

THE STATE OF DELAWARE

By: _____

Title: _____

By: _____

Title: _____

Address: _____

Phone Number: _____

Account Members

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Date: April __, 2024

STATE OF DELAWARE
General Obligation Refunding Bonds, Series 2024B

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER], as the winning bidder (the “Purchaser”), in connection with the sale by the State of Delaware (the “State”) of its \$_____ aggregate principal amount of the State’s General Obligation Refunding Bonds, Series 2024B (the “Bonds”), hereby certifies as set forth below with respect to the sale of the Bonds to be issued by the State.

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

As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public (defined below) by the Purchaser are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities (defined below) of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

2. **Defined Terms.**

Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

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.

Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April __, 2024.

Underwriter means (i) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds 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 Bonds 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 Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’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 State 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 Bonds, and by Saul Ewing LLP in connection with rendering its opinion that the interest on the Bonds 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 State from time to time relating to the Bonds.

[UNDERWRITER]

By: _____
Name: _____

Dated: _____, 2024

SCHEDULE A

Expected Offering Prices
(to be attached)

SCHEDULE B

Copy of Purchaser's Bid
(to be attached)