

OFFICIAL NOTICE OF BOND SALE

**\$65,000,000
CITY OF NEW ORLEANS, LOUISIANA
TAXABLE PUBLIC IMPROVEMENT BONDS,
ISSUE OF 2015A**

**Electronic bids via PARITY®
will be received until eleven o'clock a.m.,
New Orleans, Louisiana (Central) Time
on Wednesday, March 25, 2015**

Electronic bids via PARITY® will be received at the office of the Board of Liquidation, City Debt (the "Board"), Room 8E17, City Hall, 1300 Perdido Street, New Orleans, Louisiana 70112-2197 for the purchase of the above described Bonds aggregating \$65,000,000 (the "Bonds").

Date of Sale: Wednesday, March 25, 2015 (or such other date as may be determined by the President and Secretary of the Board and advertised by Munifacts Disclosure Service).

Hour of Sale: Eleven (11:00) o'clock a.m., New Orleans, Louisiana (Central) Time.

Place of Sale: Office of the Board of Liquidation, City Debt, Room 8E17, City Hall, 1300 Perdido Street, New Orleans, Louisiana 70112-2197, telephone (504) 658-1410.

Date of Bonds: Delivery date of the Bonds.

Form and Denomination: The Bonds will be issued as fully registered bonds in "book-entry only" form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. The Bonds will be in the denomination of Five Thousand Dollars (\$5,000) each.

Maximum Interest Rate Allowable: Eight per centum (8%) per annum.

Paying Agent and Registrar: U.S. Bank National Association, Nashville, Tennessee.

Interest Payment Dates: June 1 and December 1. The Bonds will bear interest from their delivery date until paid, payable on June 1, 2015, and semiannually on each June 1 and December 1 thereafter.

Manner and Place of Payment: Principal of the Bonds will be payable in lawful money of the United States of America by U.S. Bank National Association, Nashville, Tennessee.

Maturity Schedule: Bonds will mature on December 1 of each of the following years and in the principal amounts as follows:

<u>DUE</u> <u>(DEC. 1)</u>	<u>PRINCIPAL</u> <u>AMOUNT *</u>	<u>DUE</u> <u>(DEC. 1)</u>	<u>PRINCIPAL</u> <u>AMOUNT *</u>
2016	\$1,385,000	2031	\$2,140,000
2017	1,390,000	2032	2,230,000
2018	1,405,000	2033	2,330,000
2019	1,425,000	2034	2,430,000
2020	1,445,000	2035	2,545,000
2021	1,475,000	2036	2,660,000
2022	1,515,000	2037	2,785,000
2023	1,560,000	2038	2,915,000
2024	1,615,000	2039	3,055,000
2025	1,670,000	2040	3,200,000
2026	1,730,000	2041	3,355,000
2027	1,800,000	2042	3,515,000
2028	1,875,000	2043	3,685,000
2029	1,955,000	2044	3,865,000
2030	2,045,000		

*Preliminary, subject to adjustment.

Prior to accepting bids, the Board reserves the right to change the principal amount of the Bonds being offered, and certain terms of the Bonds as described herein, to postpone the sale to a later date, or to cancel the sale of the Bonds based upon market conditions as discussed herein. Notice of a change or cancellation will be announced via Thomson Municipal News at the internet website address www.tm3.com not later than 10:00 a.m., Central Time, on the business day preceding the bid opening. Such notice will specify the revised principal amount or feature, if any, and any later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated upon at least forty-eight (48) hours' notice via Thomson Municipal News service at the internet website address www.tm3.com.

Adjustment of Maturity Schedule: The schedule of maturities set forth above (the "Maturity Schedule") represents an estimate of the principal amounts and maturities of the Bonds which will be sold. If, after final computation of the bids, the Board determines that the maturities of the Bonds should be adjusted after consideration of the winning bidder's coupon structure in order to achieve the Board's structuring goals, the Board reserves the right to either increase or decrease the principal amount of any maturity of the Bonds, provided that in any such adjustment the Board shall not increase or decrease the principal amount maturing in any year more than 10% of the amount for such year set forth above, except that the par amount will not exceed \$65,000,000.

In the event of any such adjustment of the Maturity Schedule for the Bonds as described herein, no rebidding or recalculation of the bids submitted will be required or permitted. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of the Bonds pursuant to this paragraph. Any such adjustment made will hold constant the bidder's spread on a per bond basis.

Redemption: The Bonds maturing December 1, 2025 and thereafter shall be subject to redemption at the option of the City, acting through the Board, prior to their stated maturities, on and after December 1, 2024, in whole or in part at any time and if less than a full maturity then by lot within such

maturity at a redemption price equal to the principal net amount of the Bonds to be redeemed plus accrued interest to the redemption date. Any Bonds made the subject of such call or calls shall be redeemed at the principal amount thereof plus accrued interest to the date fixed for redemption. Bonds are not required to be redeemed in inverse order of maturity.

In the event a Bond to be redeemed is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. In the event of redemption of less than all of the outstanding Bonds of like maturity, such Bonds shall be redeemed by lot or in such other manner as shall be deemed fair and equitable by the Paying Agent for random selection.

Notice of any such redemption shall be given by the Board to the Paying Agent at least thirty-five (35) days prior to the date fixed for redemption. Notice of redemption shall be given by the Paying Agent by mailing a copy of the redemption notice by first class mail (postage prepaid), or delivering notice via other accepted means of electronic communication, not less than thirty (30) days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the Bond Register.

If a Bidder shall elect to specify Term Bonds as provided in "Special Bidders' Option" below, the Bonds subject to mandatory sinking fund redemption shall also be subject to the terms and conditions described in the Official Statement.

Security: The Bonds will be general obligations of the City and are authorized by Part XIV, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1031 to 1043, inclusive), and other constitutional and statutory authority, and proceedings of the Council of the City of New Orleans and of the Board. The Bonds were specifically authorized by special election held in the City on November 2, 2004, the results of which election have been duly promulgated in accordance with law. The full faith and credit of the City of New Orleans (the "City") is pledged for the payment of the principal of and interest on the Bonds, and the City is obligated under the aforesaid provisions of law to impose and collect annually in excess of all other taxes, a tax on all the property subject to such taxation in the City, in the manner prescribed by such provisions, in an amount sufficient to pay such principal and interest.

Bond Insurance: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor, the purchase of any such insurance policy or the issuance of any such commitment therefor shall be at the sole option and expense of such bidder and any increased costs of issuance of the Bonds resulting by reason of the same, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for said Bonds in accordance with terms of the purchase contract.

Electronic Bids: Electronic bids will be received via PARITY®, in the manner described below, until 11:00 o'clock a.m., New Orleans, Louisiana time, on Wednesday, March 25, 2015.

Bids may be submitted electronically via PARITY® pursuant to this Official Notice of Bond Sale until 11:00 o'clock a.m., local New Orleans, Louisiana time, 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 Official Notice of Bond Sale, the terms of this Official Notice of Bond Sale shall control. For further information about PARITY®, potential bidders may contact PARITY® at i-Deal (212) 849-5021.

Disclaimer: Each prospective electronic bidder shall be solely responsible to register to bid via PARITY® as described above. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY® for the purposes of submitting its bid in a timely manner and in compliance with the requirements of the Notice of Sale. Neither the Board nor PARITY®, shall have any duty or obligation to provide or assure access to PARITY® to any prospective bidder, and neither the Board nor PARITY® shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Board is using PARITY® as a communication mechanism, and not as the Board's agent, to conduct the electronic bidding for the Bonds. No other form of electronic bid or provider of electronic bidding services will be accepted. The Board is not bound by any advice and determination of PARITY® to the effect that any particular bid complies with the terms of this Official Notice of Bond Sale and in particular the "Bid Requirements" hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY® are the sole responsibility of the bidders; and the Board 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 Bonds, he should telephone PARITY® at i-Deal or (212) 849-5021 and notify the Board's Financial Advisors, Public Financial Management (901) 682-8356, 530 Oak Court Drive, Suite 160, Memphis, Tennessee 38117, and CLB Porter, L.L.C. (504) 299-3433, 650 Poydras Street, Suite 1400, New Orleans, Louisiana 70130.

Electronic Bidding Procedures: Electronic bids must be submitted for the purchase of the Bonds (all or none) via PARITY®. Bids will be communicated electronically to the Board at 11:00 o'clock a.m., local New Orleans, Louisiana time, on Wednesday, March 25, 2015. Prior to that time, a prospective bidder may (1) submit the proposed terms of its bid via PARITY®, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds, or (3) withdraw its proposed bid. Once the bids are communicated electronically via PARITY® to the Board, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on PARITY® shall constitute the official time.

Bid Requirements: Each bid (i) shall be for the full amount of \$65,000,000 in aggregate principal amount of the Bonds, (ii) shall name the rate or rates of interest to be borne by the Bonds, (iii) shall prescribe one rate of interest, not to exceed eight per centum (8%) per annum, for the Bonds of any one maturity, (iv) shall limit the interest due on each Bond for each interest period to a single rate and (v) shall be unconditional. No bid for less than 99% of the principal amount of the Bonds will be accepted.

Special Bidders' Option: Bidders may specify that all the principal amount of Bonds on any two or more consecutive annual payment dates on or after December 1, 2025, may, *in lieu* of maturing on each of such dates, be combined to comprise one or more maturities of Bonds scheduled to mature on the latest of such annual payment dates and be subject to redemption through mandatory sinking fund installments at the principal amount thereof in the manner described in the Official Statement, on each of the annual payment dates, except for that principal amount of Bonds scheduled to mature on the latest such annual payment date, which Bonds shall mature on such annual payment date ("Term Bonds"). Bidders may specify one or more of such Term Bonds.

Award of Bid: The Bonds will be awarded to the bidder whose bid offers the lowest "true interest cost" to the City, to be determined by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments on the Bonds from the payment dates to the date of delivery of the Bonds, such that the sum of such present values is equal to the price bid, including any premium bid or less any discount (the preceding calculation is sometimes referred to as the "Canadian Interest Cost Method" or "Present Value Method"). In the case of a tie bid, the winning bid

will be awarded by lot.

Reoffering Prices: As soon as practical after award of the Bonds to the successful bidder or bidders (the APurchaser@), but in any case no later than 2:00 p.m. Louisiana time on the third business day after the date of sale, the Purchaser shall furnish to the Board a certificate acceptable to Co-Bond Counsel to the Board stating (i) either, (A) in the case of Bonds that the Purchaser intends to reoffer, the reoffering prices, expressed as a percentage of par, to the public of each maturity of the Bonds (the "Reoffering Prices") or (B) the specific Bonds that the Purchaser intends to retain; (ii) that, in the case of Bonds described in (i)(A), the Purchaser has made a *bona fide* public offering of the Bonds at the Reoffering Prices; (iii) that a substantial amount of the Bonds have been sold or were reasonably expected to be sold to the public (excluding bond houses, brokers and other intermediaries) at such Reoffering Prices; and (iv) that, at the time that the Purchaser submitted its bid, based upon prevailing market conditions, the Purchaser had no reason to believe that any of the Bonds would be initially sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at initial offering prices greater than the Reoffering Prices represented in (i)(A). Co-Bond Counsel to the Board advise that (i) such certificate must be made on the best knowledge, information and belief of the Purchaser; (ii) the sale to the public of 10% or more in par amount of the Bonds of each maturity at (or below) the Reoffering Prices would be sufficient to certify as to the sale of a substantial amount of the Bonds; and (iii) reliance on other facts as a basis for such certification would require evaluation by Co-Bond Counsel to the Board to assure compliance with the statutory requirement to avoid the establishment of an artificial price for the Bonds.

Costs Paid by Board: The costs of preparing, selling and delivering the Bonds shall be paid by the Board.

Rejection of Bids: The Board reserves the right to reject any and all bids.

Waiver of Informalities: The Board reserves the right to waive any informalities or irregularities in any bid.

Good Faith Deposit: In the event a bid for the Bonds is accepted, the acceptance of such bid shall be subject to the receipt of a good faith deposit (the "Deposit") by such successful bidder (the APurchaser@). The Deposit shall be made via wire transfer to the Board in the amount of one percent (1%) of the principal amount of the Bonds (\$650,000) by 3:30 o'clock p.m., New Orleans, Louisiana (Central) Time, on the day of the sale. The Deposit of the Purchaser will be deposited and the proceeds credited against the purchase price of the Bonds. In the case of neglect or refusal to comply with such bid, the deposit will be forfeited to the Board as and for liquidated damages. No interest will be allowed on the amount of the Deposit.

Wiring instructions for the account to which the Purchaser should send the Deposit are:

Bank: Whitney Bank
ABA# 065400153

Credit to: Board of Liquidation, City Debt
Fiscal Agent Account
Account #024 65 506
Contact: Philip Gordillo (504.586.3458)

Delivery of the Bonds: The Bonds will be delivered to DTC on or as soon as practicable after April 29, 2015, in "book-entry only" form. The Purchaser shall pay in Federal Funds on the date of delivery the balance of the purchase price of the Bonds, plus accrued interest, if any. The Bonds will be delivered in New Orleans, Louisiana, or in New York, New York, at the option of the Purchaser, unless another place shall be mutually agreed upon.

Legal Opinion of Co-Bond Counsel and Closing Documents: The approving legal opinion of Foley & Judell, L.L.P., Bond Counsel, and Haley Law Firm, L.L.C. and McKee Law Firm, L.L.C., Co-Bond Counsel, who have supervised the proceedings, the Bonds and the transcript of record as passed upon will be furnished without cost to the Purchaser. Said transcript will contain the usual closing proofs, including (i) a certificate that up to the time of delivery no litigation has been filed questioning the validity of the Bonds or the taxes necessary to pay the same, and (ii) a Continuing Disclosure Certificate as hereinafter described.

CUSIP Numbers: It is anticipated that the American Bankers' Association Committee on Uniform Security Identification Procedures (CUSIP) identification numbers will be printed on the Bonds, but the failure to print such numbers shall not constitute cause for refusal by the Purchaser to accept delivery of and to pay for the Bonds. No CUSIP identification number shall be deemed to be part of any Bond or a part of the contract evidenced thereby, and no liability shall hereafter attach to the City or the Board or any of the officers or agents thereof because of or on account of such numbers. All expenses in relation to the printing of the CUSIP identification numbers on the Bonds shall be paid by the Board. However, the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid by the Purchaser.

Continuing Disclosure: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the City and the Board will undertake, pursuant to the resolution providing for the issuance of the Bonds and a Continuing Disclosure Certificate, to provide annual reports and notices of certain material events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement. The Annual Reports are due on or before August 31 of each year, and the Annual Reports for Fiscal Year 2008, 2009, 2010, 2011, 2012 and 2013 were filed on August 24, 2009, August 30, 2010, September 29, 2011, September 4, 2012, August 16, 2013 and August 15, 2014, respectively.

Additional Information and Official Statements: Further information and particulars, including the required bid form and an Official Statement relating to the Bonds, will be furnished upon application to the undersigned. The purchaser will be furnished a reasonable number of final official statements on or before the seventh business day following the sale of the Bonds.

The Official Statement and Notice of Sale will be available in electronic format on the following websites: <http://www.i-dealprospectus.com> and www.bolcd.com.

Participation by Minority-Owned and Women-Owned Firms: The City and the Board strongly encourage the participation of minority-owned and women-owned firms as bidders or as members of syndicates submitting bids for the purchase of the Bonds. Each bidder is strongly encouraged to make a good faith effort to include minority-owned and women-owned business enterprises in their bidding syndicates.

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