

## Questions submitted regarding Certificates of Participation (COPs)

**1. Are the COPs earnings considered tax-free?**

Interest income received by individual investors will be exempt from federal income tax and will not be subject to the Alternative Minimum Tax.

**2. Can anyone participate in the funding of a COP? (Will it be open to the public?)**

Anyone will be able to place an order for COPs at the time of sale, however, those orders must be placed with one of the underwriters hired by the District to offer the COPs. Those underwriters have not been chosen yet. Residents of Okaloosa County will be given the top priority when the COPs are offered. That means that if there are more orders in a given maturity than the amount of COPs available, the orders of local residents will be filled first.

**3. Will there be a public announcement with a window to participate?**

The school district can request the underwriters run an advertisement in the local newspaper announcing the sale of the COPs

**4. Is there a date when the opportunity to participate is scheduled to happen?**

The date of the COPs sale is not scheduled at this time.

*Responses provided by R. Scallan, CFO, Okaloosa County School District  
3/10/2021*