

OFFICIAL NOTICE OF SALE

\$ _____ *

**The Board of Trustees of
the University of Illinois
University of Illinois
Auxiliary Facilities System
Refunding Revenue Bonds, Series 2011C
(Book-Entry Only)
Closing Date: December 29, 2011**

NOTICE IS HEREBY GIVEN that separate electronic (as explained below) bids will be received by The Board of Trustees of the University of Illinois (the "Issuer") for the purchase of all (but not less than all) of the Issuer's \$ _____ * University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series 2011C (the "Series 2011 Bonds"). The bids will be received up to the time (unless postponed as described herein) and in the manner described herein.

RIGHT OF REJECTION

The Issuer reserves the right to reject all bids for any reason. Any bid not complying with the terms of this Official Notice of Sale or specifying any conditions in addition to those contained herein may be rejected. The Issuer reserves the right to waive any irregularity in compliance with the terms of this Notice of Sale to the extent permitted by law. In addition, the Series 2011 Bonds are being issued as refunding bonds to achieve certain targeted savings and the Issuer maintains the right to refuse bids not achieving such savings.

BID DATE AND TIME

[**Tuesday**], December [**13**], 2011, 11:00 a.m. New York time. The time maintained by ParityDalcomp/Parity ("Parity") shall constitute the official time.

SUMMARY BIDDING SCHEDULE*

<u>Date</u>	<u>New York Time</u>	<u>Event</u>
December [12], 2011	5:00 p.m.	Notification of revisions, if any, to the Official Notice of Sale for the Series 2011 Bonds published on TM3 (www.tm3.com) or via individual communication with Public Financial Management, Inc.
December [13], 2011	10:30 a.m.	Notification of revisions, if any, to the sale date or time of the Series 2011 Bonds published on TM3 (www.tm3.com) or via individual communication with Public Financial Management, Inc.
	11:00 a.m.	Deadline for the submission of bids for the Series 2011 Bonds to the Issuer.
	1:00 p.m.	Expected timeframe for the Issuer to notify winning bidder for the Series 2011 Bonds.
	[3:00 p.m.]	Deadline for the Issuer to notify winning bidder for the Series 2011 Bonds.
Date of Award	3:00 p.m.	Deadline for the winning bidder to wire the Good Faith Deposit to the Issuer.
December __, 2011	12:00 p.m.	Series 2011 Bonds Close.

* Preliminary, subject to change.

SUMMARY OF BIDDING PARAMETERS*

Dated:	Date of Delivery
Interest Payment Dates:	April 1 and October 1 commencing April 1, 2012
Maturity Schedule**:	See MATURITY SCHEDULE below
Optional Redemption:	October 1, 2021 and on any date thereafter, at par
Maximum Coupon:	[5.50%] per annum
Minimum Bid:	[98%] of par
Maximum Bid:	[115%] of par

* Preliminary, subject to change.

** Subject to adjustment.

ELECTRONIC BIDS

Bids for the Series 2011 Bonds must be submitted electronically via Parity in accordance with its Rules of Participation and this Official Notice of Sale until 11:00 a.m. on the date specified above, but no bid will be received after the time for receiving bids specified above. No in-person or faxed bids will be accepted. Provisions in this Official Notice of Sale conflicting with those Parity Rules of Participation shall control. In the event of a malfunction in the electronic bidding process, the bid time and/or date may be postponed at the option of the Issuer. See instructions under "FORM OF BID; ELECTRONIC BIDS" below. For further information about Parity, potential bidders may contact the Issuer's Financial Advisor, Public Financial Management, Inc., or PARITY Customer Support:

Issuer's Financial Advisor:

Public Financial Management, Inc.
99 Summer Street, Suite 1020
Boston, Massachusetts 02110
Attn: June Matte
TEL: (617) 330-6914
Email: mattej@pfm.com

PARITY Customer Support

1359 Broadway, 2nd Floor
New York, New York 10014
TEL: (212) 849-5021

RIGHT TO MODIFY OR AMEND NOTICE OF SALE; RIGHT TO POSTPONE SALE

The Issuer reserves the right to modify or amend this Official Notice of Sale, including changing the scheduled maturities or increasing or reducing the aggregate principal amount of the Series 2011 Bonds and the principal amount of any maturity offered for sale, prior to the bid date. If any modifications occur, supplemental information with respect to the Series 2011 Bonds will be communicated via TM3 (www.tm3.com) ("TM3") not later than 5:00 p.m., New York time, on the day preceding the day on which proposals may be submitted, and bidders shall bid upon the Series 2011 Bonds based upon the terms thereof set forth in this Official Notice of Sale, as so modified by such supplemental information. If any prospective bidder does not subscribe to TM3, please call Public Financial Management, Inc. at the number identified above and arrangements will be made to notify such prospective bidder of any change or modification to this Official Notice of Sale not later than 5:00 p.m., New York time, on the day preceding the day on which proposals may be submitted. See "ADJUSTMENT OF MATURITY SCHEDULE."

In addition, the Issuer reserves the right to postpone the date established for the receipt of bids. In the event of a postponement, the new date and time of sale and any revised date of expected delivery will be announced via TM3 not later than 10:30 a.m., New York time, on the day on which proposals may be submitted. As stated above, if any prospective bidder does not subscribe to TM3, other arrangements will be made to notify such prospective bidder not later than 10:30 a.m., New York time, on the day on which proposals may be submitted. On any such alternative sale date, bidders may submit sealed bids for the purchase of the Series 2011 Bonds in conformity with the provisions of this Official Notice of Sale, except for the changed date and time of sale and any revised date of delivery.

AUTHORIZATION

The Series 2011 Bonds will be issued by the Issuer pursuant to the University of Illinois Revenue Bond Financing Act for Auxiliary Facilities, 110 ILCS 405/1, *et seq.* (the "Act"). The Series 2011 Bonds will be issued as Auxiliary Facility Revenue Bonds pursuant to the Act and the resolution adopted by The Board of Trustees of the University of Illinois on September 20, 1984 (the "Original Resolution") as amended and supplemented by bond resolutions adopted on June 20, 1985, May 8, 1986, May 9, 1991, June 11, 1993, January 18, 1996, October 15, 1999, June 1, 2000, March 8, 2001, May 23, 2001, May 15, 2003, March 10, 2005, July 14, 2005, September 7, 2006, May 22, 2008, January 15, 2009, May 20, 2010, June 9, 2011 and December 2, 2011 (together with the Original Resolution, the "Bond Resolution"). The proceeds of the Series 2011 Bonds will be used to refund a portion of the Outstanding Bonds (as defined herein) of the Issuer (the "Refunded Bonds").

SECURITY

The Series 2011 Bonds, together with the Outstanding Bonds (as defined below) are secured by a pledge of and lien on (i) the Net Revenues of the Auxiliary Facilities System of the Issuer, (ii) Student Tuition and Fees (subject to prior payment of operating and maintenance expenses of the Auxiliary Facilities System, but only to the extent necessary and (iii) the Bond and Interest Sinking Fund Account (as all of such terms are defined in the Preliminary Official Statement.

The Issuer is not securing the Series 2011 Bonds with bond insurance or any other form of credit enhancement.

[Consider adding language giving bidder option to purchase bond insurance]

PARITY BONDS

The Issuer has previously issued fourteen series of its Auxiliary Facilities System Revenue Bonds, of which thirteen series in the aggregate principal amount of approximately \$1,027,606,168 will be outstanding immediately prior to the issuance of the Series 2011 Bonds (the "Outstanding Bonds"). The Series 2011 Bonds are payable from the same source of revenues as the Outstanding Bonds.

BOOK-ENTRY-ONLY FORM

The Series 2011 Bonds will be issued in book-entry-only form, initially registered in the name of Cede & Co., as partnership nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interests in the Series 2011 Bonds. Individual purchases will be in the principal amount of \$5,000 and multiples thereof. Payments of principal, interest and redemption premium, if any, will be made by the Issuer to DTC for subsequent disbursement by DTC, all as more fully described in the Preliminary Official Statement.

BID SPECIFICATIONS

Bidders may provide that all of the Series 2011 Bonds be issued as serial bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more term bonds. Any number of term bonds may be designated, but each term bond must bear a single rate of interest. Within one hour of the award of the Series 2011 Bonds the successful bidder must notify the Issuer of the serial and term bond designations.

INTEREST PAYMENT DATES

The Series 2011 Bonds will be dated the date of delivery, and will bear interest from that date payable semiannually on each April 1 and October 1, beginning on April 1, 2012 until maturity or redemption.

MATURITY SCHEDULE

The Series 2011 Bonds will be subject to principal amortization either through serial maturities or sinking fund redemptions or a combination thereof on April 1 in the years and in the amounts set forth below (the "Maturity Schedule"), subject to the adjustments described on the following page.

Maturity or Sinking Fund Payment Date, <u>April 1</u>	Maturity or Sinking Fund Payment <u>Amount*</u>	Maturity or Sinking Fund Payment Date, <u>April 1</u>	Maturity or Sinking Fund Payment <u>Amount*</u>
	\$		\$

* Preliminary, subject to change.

ADJUSTMENT OF MATURITY SCHEDULE

As described above under "RIGHT TO MODIFY OR AMEND NOTICE OF SALE; RIGHT TO POSTPONE SALE," the Issuer reserves the right to change the Maturity Schedule up until 5:00 p.m., New York time, on the day preceding the day on which proposals may be submitted. Any revisions to the Maturity Schedule of the Series 2011 Bonds will be communicated via TM3 or through individual communication with prospective bidders who do not subscribe to TM3.

The Issuer reserves the right to further change the Maturity Schedule or the revised Maturity Schedule after the determination of the winning bidder by increasing or decreasing the principal amount of each maturity by such amount as may be necessary to effect the refunding of the Refunded Bonds. In such event, the final aggregate principal amount of the Series 2011 Bonds will be increased or decreased by the net amount of such change or changes in the principal amount of one or more maturities, which net change in aggregate principal amount of the Series 2011 Bonds will not exceed [15%]. The Issuer anticipates that the final maturity schedule will be communicated to the successful bidder by 10:00 a.m. New York time on the day following the date of award provided the Issuer has received the reoffering prices and yields for the Series 2011 Bonds from the successful bidder, as described below under "Award, Delivery and Payment."

The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Series 2011 Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the successful bidder's discount and original issue discount/premium, if any, but will not change the successful bidder's per-bond discount as calculated from the bid and reoffering prices required to be delivered to the Issuer as stated herein. The successful bidder may not withdraw its bid or change the interest rates bid or initial reoffering prices as a result of any changes made to the principal amounts within these limits.

MANDATORY SINKING FUND REDEMPTION

If the successful bidder designates certain consecutive principal amounts to be combined into one or more term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on April 1 of the first year which has been combined to form such term bond and continuing on April 1 in each year thereafter until the stated maturity date of such term bond for the Series 2011 Bonds. The amount redeemed in any year shall be equal to the amount otherwise maturing as a serial bond for such year set forth in the Official Bid Form as adjusted in accordance with the provisions described above under the caption "Adjustment of Maturity Schedule." Within one hour after the award, the successful bidder must identify any two or more consecutive annual maturities bearing a single rate which have been combined into a term bond or term bonds.

OPTIONAL REDEMPTION

On or after October 1, 2021, the Series 2011 Bonds with a stated maturity date on or after April 1, 2022, shall be subject to redemption at the option of the Issuer, in whole or in part at any time at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest to the date fixed for redemption.

INTEREST RATE AND MAXIMUM DISCOUNT/PREMIUM

Each bid must be for all of the Series 2011 Bonds. For all bids, bidders must specify a rate of interest for each maturity of the Series 2011 Bonds. The rates of interest must be expressed in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%), and no interest rate can exceed **[5.50%]** per annum. **[The highest coupon may not exceed the lowest by more than 3.00%.]**

Each bid for the Series 2011 Bonds must be a bid for not less than **[98%]** or more than **[115%]** of the par value for the Series 2011 Bonds.

REOFFERING PRICE

The successful bidder will, within one hour after being notified of the award of the Series 2011 Bonds, advise the Issuer of the initial public reoffering prices of the Series 2011 Bonds to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (the "Initial Reoffering Prices"). The successful bidder shall make a bona fide public offering of the Series 2011 Bonds at the Initial Reoffering Prices and will be required to provide a certificate at closing confirming the Initial Reoffering Prices. The form of certificate, entitled "Certificate of Purchaser", is attached as Exhibit I to this Official Notice of Sale (the "Certificate of Purchaser") and may be required for purposes of evidencing compliance with the provisions of Section 148 of the Internal Revenue Code of 1986, as amended.

FORM OF BID; ELECTRONIC BIDS

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of Parity, in accordance with the Rules of Participation and other requirements of Parity. In order to submit an electronic bid through Parity, bidders must be

contracted customers of Parity's Competitive Bidding System. If you do not have a contract with Parity, call (212) 849-5021 to become a customer.

Registration with Parity is required in order to submit an electronic bid, and the Issuer neither will confirm any registration nor be responsible for any failure of a prospective bidder to register. By registering to bid for the Series 2011 Bonds, a prospective bidder is not obligated to submit a bid in connection with the sale.

If any provisions of this Official Notice of Sale shall conflict with information provided by Parity as approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about Dalcomp and Parity, including qualification, registration, rules and any fee charged, may be obtained from Dalcomp by calling PARITY Customer Support at (212) 849-5021.

By submitting a bid for the Series 2011 Bonds, a prospective bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Series 2011 Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Series 2011 Bonds. An electronic bid made through the facilities of Parity shall be deemed an offer, in response to the Official Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Issuer. The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, Parity, the use of such facilities being the sole risk of the prospective bidder. All bids submitted for the Series 2011 Bonds in response to this Official Notice of Sale are public documents subject to disclosure.

DISCLAIMER FOR ELECTRONIC BIDS

Each prospective bidder shall be solely responsible to register to bid via Parity as described in the attached instructions. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of the Official Notice of Sale. Neither the Issuer nor 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 Issuer 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 Issuer is using Parity as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Series 2011 Bonds. The Issuer 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 Sale. 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 Issuer is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Series 2011 Bonds, it should telephone Parity and notify the Chief Financial Officer of the Issuer by facsimile at (312) 996-9013 or by telephone at (312) 996-8800.

LIST OF MEMBERS OF ACCOUNT

Bidders are requested to list on the Official Bid Form the names of the members of the account on whose behalf the bid is made.

GOOD FAITH DEPOSIT

The apparent successful bidder, as indicated on BidCOMP/PARITY, must submit a good faith deposit in the amount of \$ _____ for the winning bid on the Series 2011 Bonds (the "Good Faith Deposit") to the Issuer as provided below. The Good Faith Deposit will secure the Issuer 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 Issuer upon notification of the preliminary award, but in any case, no later than 3:00 p.m., New York 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 Issuer 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 Issuer will have the option to withdraw the award and the successful bidder shall be responsible to the Issuer for all consequential damages arising from such withdrawal.

At the time of delivery of the Series 2011 Bonds, such security will be applied against the purchase price for the Bonds or will be retained as liquidated damages upon the failure of the successful bidder to take and pay for the 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 Bonds for any reason whatsoever, unless such failure of performance shall be caused by an act or omission of the Issuer. 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 Series 2011 Bonds at the price and on the date agreed upon, the Issuer retains the right to seek further compensation for damages sustained as a result of the successful bidder so doing.

OFFICIAL STATEMENT

The Issuer has "deemed final" the Preliminary Official Statement for the purpose of SEC Rule 15c2-12, subject to the omissions permitted by paragraph (b)(1) of such Rule. By submission of its bid, the successful bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. The Issuer will provide the successful bidder such reasonable number of printed copies of the final Official Statement as such bidder may request no later than seven business days after the day the sale of the Series 2011 Bonds is awarded. Up to 100 copies of the final Official Statement will be furnished without cost to the successful bidder of the Series 2011 Bonds and additional copies, if desired, will be made available at the successful bidder's expense.

AWARD, DELIVERY AND PAYMENT

If legally acceptable bids are received complying with this Notice of Sale and unless all bids are rejected by the Issuer, the Series 2011 Bonds will be awarded to the highest bidder not later than 24 hours after the time established for the receipt of bids. The highest bidder shall be the bidder submitting the best price for the Series 2011 Bonds, which best price shall be that resulting in the lowest true interest cost. The true interest cost for the Series 2011 Bonds (expressed as an annual interest rate) will be that rate which, as of the date of delivery discounts semiannually all future principal and interest payments to the aggregate bid price. The true interest cost shall be based upon the principal amount of each maturity of the Series 2011 Bonds as set forth in the Maturity Schedule above (such principal amounts may be modified with notification though TM3 or through individual communication with prospective bidders) and the bid price and interest rate set forth in each proposal submitted in accordance with this Official Notice of Sale.

It is requested that each proposal be accompanied by a computation of such true interest cost to the Issuer under the terms of the proposal in accordance with the method of calculation described in the above paragraph (computed to six decimal places), but such computation is not to be considered as part of the proposal for the Series 2011 Bonds. In the event that two or more bidders have bid the same true interest cost (calculated to six decimal places) the Comptroller of the Issuer shall determine in his sole discretion which of the bidders shall be awarded the Series 2011 Bonds.

Within one hour after being notified of the award of the Series 2011 Bonds, the successful bidder shall advise the Issuer of (i) any two or more consecutive annual maturities bearing a single rate which have been combined into a term bond or term bonds, and (ii) the initial public reoffering prices of the Series 2011 Bonds, expressed as a percentage of par for each maturity of the Series 2011 Bonds.

Delivery of the Series 2011 Bonds is expected to occur through the facilities of DTC in New York, New York on or about December 29, 2011. The successful bidder for the Series 2011 Bonds shall pay for the Series 2011 Bonds on the date of delivery in **IMMEDIATELY AVAILABLE FEDERAL FUNDS** by 10:00 a.m. New York time, on the closing date. Any expenses of providing immediately available funds shall be borne by the successful bidder. Payment on the delivery date shall be made in an amount equal to the price bid for the Series 2011 Bonds less the amount of the Good Faith Deposit.

At or before the delivery of the Series 2011 Bonds, the Issuer shall deliver to the successful bidder the following:

- (a) the approving opinion of Perkins Coie, LLP, Bond Counsel, as described below under "Legal Opinion";
- (b) a certificate of designated officers of the Issuer substantially to the effect that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, now pending or, to the knowledge of the Issuer, threatened against the Issuer, wherein an unfavorable decision, ruling or finding would (i) materially adversely affect the transactions contemplated by the Official Statement, (ii) in any way adversely affect the validity or enforceability of the Series 2011 Bonds, the Bond Resolution, the Issuer Order with respect to the Series 2011 Bonds or any other agreement or instrument to which the Issuer is a party, used or contemplated for use in the consummation of the transactions contemplated by the Official Statement, or (iii) in any way adversely affect the tax-exempt status of previous bonds issued by the Issuer;
- (c) a certificate of designated officers of the Issuer substantially to the effect that the statements and information contained in the Official Statement are true, correct and complete in all material respects and the Official Statement does not contain any statement or information that is untrue or incorrect in any material respect and does not omit any statement or information that should be contained therein for the purpose for which the Official Statement is to be used or that is necessary to make the statements and information therein not misleading in any material respect; provided, however, that no representation is made with respect to the material in the Official Statement under the captions entitled "BOOK-ENTRY-ONLY SYSTEM" and "RATINGS," with respect to CUSIP numbers and reoffering prices or yields shown on the cover of the Official Statement; and

- (d) the Continuing Disclosure Agreement executed by the Issuer substantially in the form attached as Appendix F to the Preliminary Official Statement.

At or before the delivery of the Series 2011 Bonds, the successful bidder shall deliver to the Issuer the following:

- (a) a receipt for the Series 2011 Bonds;
- (b) the Certificate of Purchaser; and
- (c) evidence satisfactory to the Issuer that the Official Statement has been filed with the Municipal Securities Rulemaking Board.

CUSIP Numbers

The successful bidder will obtain at its expense CUSIP numbers for the Series 2011 Bonds and provide those numbers to the Issuer and Bond Counsel within one business day after the award of the Series 2011 Bonds. It is anticipated that CUSIP numbers will be printed on the Series 2011 Bonds, but the Issuer will assume no obligation for the assignment or printing of such numbers on the Series 2011 Bonds or for the correctness of such numbers, and neither the failure to print such numbers on the Series 2011 Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder of the Series 2011 Bonds to accept delivery of and make payment for the Series 2011 Bonds.

LEGAL OPINION

The Series 2011 Bonds will be issued and sold subject to approval as to legality by Perkins Coie, LLP of Chicago, Illinois, Bond Counsel, whose approving opinion substantially in the form attached as Appendix E to the Preliminary Official Statement will be delivered, upon request, to the successful bidder of the Series 2011 Bonds without charge.

ADDITIONAL INFORMATION

Copies of the Bond Resolution and this Official Notice of Sale for the Series 2011 Bonds will be furnished to any potential bidder upon request made to Public Financial Management, Inc. The Preliminary Official Statement, this Official Notice of Sale and Official Bid Form will be made available via www.i-DealProspectus.com as well; for information contact Parity or Public Financial Management, Inc. at the numbers provided above.

Date: December __, 2011

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS
Walter K. Knorr
Vice President, Chief Financial Officer and Comptroller
University of Illinois

EXHIBIT I

FORM OF CERTIFICATE OF PURCHASER

(To be provided by the Issuer for execution and delivery
by the Successful Bidder at closing)

I do hereby certify that I am an officer of _____
(the "Purchaser"), as such officer I do further certify concerning the purchase by the Purchaser from The Board of Trustees of the University of Illinois (the "Issuer") of the Issuer's University of Illinois Auxiliary Facilities System Refunding Revenue Bonds, Series 2011C, dated the date hereof (the "Series 2011C Bonds"), as follows:

1. All of the Series 2011C Bonds have been the subject of a *bona fide* initial offering to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices or yields equal to those shown in Appendix I hereto.

2. At least 10 percent of the principal amount of each maturity of the Series 2011C Bonds has been sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) on the Sale Date at prices equal to the prices shown in Appendix I hereto. The prices set forth in Appendix I do not exceed the fair market value of each Series 2011C Bond as of the Sale Date.

[To be added if Purchaser obtains bond insurance at its own expense for any or all of the maturities of the Series 2011C Bonds (it being understood by all potential bidders that the Issuer is not acquiring bond insurance or any other credit enhancement for the Series 2011C Bonds.)

3. The present value of the fee paid for the [Bond Insurance] over the term of the Series 2011C Bonds (using as a discount rate the expected yield on the Series 2011C Bonds treating the fee paid as interest on the Series 2011C Bonds) is less than the present value of the interest reasonably expected to be saved on the Series 2011C Bonds over the term of the Series 2011C Bonds as a result of the [Bond Insurance]. The fee paid for the [Bond Insurance] does not exceed a reasonable, arm's-length charge for the transfer of credit risk.]

Dated: [Date of Issuance]

[PURCHASER]

By: _____
Its: _____

Appendix I to Exhibit I

The Series 2011C Bonds are dated _____, 20__, and mature or become subject to mandatory sinking fund redemption on April 1 of the years, in the amounts, bearing the interest rates, and were first offered to the public as described in the Certificate of Purchaser at the prices, as follows:

<u>Year</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Offering Price (%)</u>
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