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**EXHIBIT B**

**OFFICIAL NOTICE OF SALE**

**AMENDMENT TO NOTICE OF SALE**

**THE CITY OF SEATTLE, WASHINGTON**

**\$107,535,000<sup>(1)</sup>**

**LIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT AND REFUNDING BONDS, 2016A**

**\$37,750,000<sup>(1)</sup>**

**\$6,040,000<sup>(1)</sup>**

**UNLIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT BONDS, 2016**

**LIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT BONDS, 2016B (TAXABLE)**

The sale times for the three above-named series of Bonds have been amended to the following times:

**MAY 3, 2016, NO LATER THAN**

<b>2016A BONDS:</b>	<b>7:15 A.M., PACIFIC TIME,</b>
<b>UTGO BONDS:</b>	<b>7:45 A.M., PACIFIC TIME,</b>
<b>2016B BONDS:</b>	<b>8:15 A.M., PACIFIC TIME.</b>

*Dated: May 2, 2016*

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(1) Preliminary, subject to change.

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OFFICIAL NOTICE OF BOND SALE

THE CITY OF SEATTLE, WASHINGTON

\$107,535,000<sup>(1)</sup>

LIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT AND REFUNDING BONDS, 2016A

\$37,750,000<sup>(1)</sup>

UNLIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT BONDS, 2016

\$6,040,000<sup>(1)</sup>

LIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT BONDS, 2016B (TAXABLE)

Separate electronic bids for the purchase of The City of Seattle Limited Tax General Obligation Improvement and Refunding Bonds, 2016A (the “2016A Bonds”), the Unlimited Tax General Obligation Improvement Bonds, 2016 (the “UTGO Bonds”), and the Limited Tax General Obligation Improvement Bonds, 2016B (Taxable) (the “2016B Bonds”), will be received by the Director of Finance of The City of Seattle, Washington (the “City”), via the BidCOMP/Parity Electronic Bid Submission System (“Parity”), in the manner described below, on

MAY 3, 2016, NO LATER THAN

2016A BONDS:	7:30 A.M., PACIFIC TIME,
UTGO BONDS:	8:00 A.M., PACIFIC TIME,
2016B BONDS:	8:30 A.M., PACIFIC TIME,

or such other day or time and under such other terms and conditions as may be established by the Director of Finance and provided to Parity as described under “Modification, Cancellation, Postponement.”

In this Official Notice of Bond Sale, the 2016A Bonds and the 2016B Bonds together are referred to as the “LTGO Bonds,” and the LTGO Bonds and UTGO Bonds collectively are referred to as the “Bonds.” Additionally, the term “Tax-Exempt Bonds” is used to refer to the 2016A Bonds and the UTGO Bonds, either separately or collectively, and the term “Series” may refer to any series of the Bonds.

***Bids must be submitted electronically via Parity in accordance with this Official Notice of Bond Sale. For further information about Parity, potential bidders may contact Parity at (212) 849-5021. Hard copy or faxed bids will not be accepted.***

No bid will be received after the cut-off time for receiving bids specified above. All proper bids received with respect to a Series of the Bonds will be considered and acted on by the City Council at approximately 1:30 p.m., Pacific Time, on May 3, 2016. Each bidder (and not the City) is responsible for the timely electronic delivery of its bid. The official time will be determined by the City and not by any bidder or Parity. No bid will be awarded until the City Council has adopted a resolution accepting the bid at its meeting.

Bidders are referred to the Preliminary Official Statement for additional information regarding the City, the Bonds, the security for the Bonds, and other matters.

**Modification, Cancellation, Postponement**

The City may modify the terms of this Official Notice of Bond Sale prior to the cut-off time for receiving bids if the City elects to change the principal amounts or the redemption or other provisions or increase or decrease the total principal amount or the amounts of individual maturities of Bonds. Any such modification will be provided to Parity on or before May 2, 2016. In addition, the City may cancel or postpone the date and time for receiving bids for any or all Series of the Bonds at any time prior to the cut-off time for receiving bids. Notice of such cancellation or postponement will be provided to Parity as soon as practicable following such cancellation or postponement. As an accommodation to bidders, telephone, facsimile, or electronic notice of any such modification, cancellation, or postponement will be given to any bidder requesting such notice from the City’s Financial Advisor at the address

(1) Preliminary, subject to change.

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and phone number provided under “Contact Information” below. Failure of any bidder to receive such notice will not affect the legality of the sale.

**CONTACT INFORMATION**

Finance Division	Michael van Dyck, Debt Manager, City of Seattle (206) 684-8347 <i>michael.vandyck@seattle.gov</i>
Financial Advisor	Rob Shelley, Piper Jaffray & Co. Office phone: (206) 628-2879 Day of sale phone: (206) 601-2249 <i>robert.e.shelley@pjc.com</i>
Bond Counsel	Alice Ostdiek, Stradling Yocca Carlson & Rauth, P.C. (206) 829-3002 <i>aostdiek@sycr.com</i>

**DESCRIPTION OF THE BONDS**

**Bond Details**

Each Series of the Bonds will be dated the date of its initial delivery. Interest on the 2016A Bonds is payable semiannually on each April 1 and October 1, beginning October 1, 2016. Interest on the UTGO Bonds is payable semiannually on each June 1 and December 1, beginning June 1, 2017. Interest on the 2016B Bonds is payable semiannually on each April 1 and October 1, beginning October 1, 2016.

**Registration and Book-Entry Transfer System**

The Bonds will be issued only in registered form as to both principal and interest by the fiscal agent of the State (the “Bond Registrar”), currently U.S. Bank National Association in Seattle, Washington (or such other fiscal agent or agents as the State may from time to time designate). The Bonds initially will be registered in the name of the Securities Depository, which is defined in the Bond Legislation as the Depository Trust Company, New York, New York (“DTC”), or any successor thereto.

**Election of Maturities**

*2016A Bonds.* The successful bidder for the 2016A Bonds shall designate whether some or all of the principal amounts of the 2016A Bonds maturing on and after April 1, 2027, shall be retired as shown in the table below as serial bonds maturing in such year or as amortization installments of 2016A Term Bonds maturing in the years specified by the bidder. 2016A Term Bonds, if any, must consist of the total principal payments of two or more consecutive years and mature in the latest of those years.

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2016A BONDS

Serial Maturities		Serial Maturities	
Years	or Amortization	Years	or Amortization
(April 1)	Installments <sup>(1)</sup>	(April 1)	Installments <sup>(1)</sup>
2017	\$ 6,560,000	2027	\$ 4,150,000 <sup>(2)</sup>
2018	6,705,000	2028	4,325,000 <sup>(2)</sup>
2019	6,880,000	2029	4,370,000 <sup>(2)</sup>
2020	10,225,000	2030	3,110,000 <sup>(2)</sup>
2021	10,590,000	2031	3,230,000 <sup>(2)</sup>
2022	8,485,000	2032	3,360,000 <sup>(2)</sup>
2023	6,730,000	2033	3,495,000 <sup>(2)</sup>
2024	6,685,000	2034	3,645,000 <sup>(2)</sup>
2025	3,985,000	2035	3,345,000 <sup>(2)</sup>
2026	4,190,000	2036	3,470,000 <sup>(2)</sup>

- (1) Preliminary, subject to change. See "Bidding Information and Award—Adjustment of Principal Amounts and Bid Price After Receipt of Bids" below for a description of the City's right to adjust the principal amounts after the bids are received.
- (2) These amounts will constitute principal maturities of the 2016A Bonds unless 2016A Term Bonds are specified by the successful bidder, in which case the amounts so specified will constitute mandatory sinking fund redemptions of 2016A Term Bonds.

*UTGO Bonds.* The successful bidder for the UTGO Bonds shall designate whether some or all of the principal amounts of the UTGO Bonds maturing on and after December 1, 2026, shall be retired as shown in the table below as serial bonds maturing in such year or as amortization installments of UTGO Term Bonds maturing in the years specified by the bidder. UTGO Term Bonds, if any, must consist of the total principal payments of two or more consecutive years and mature in the latest of those years.

UTGO BONDS

Serial Maturities		Serial Maturities	
Years	or Amortization	Years	or Amortization
(Dec. 1)	Installments <sup>(1)</sup>	(Dec. 1)	Installments <sup>(1)</sup>
2018	\$ 760,000	2032	\$ 1,315,000 <sup>(2)</sup>
2019	775,000	2033	1,365,000 <sup>(2)</sup>
2020	800,000	2034	1,420,000 <sup>(2)</sup>
2021	820,000	2035	1,480,000 <sup>(2)</sup>
2022	855,000	2036	1,540,000 <sup>(2)</sup>
2023	890,000	2037	1,600,000 <sup>(2)</sup>
2024	935,000	2038	1,665,000 <sup>(2)</sup>
2025	980,000	2039	1,730,000 <sup>(2)</sup>
2026	1,030,000 <sup>(2)</sup>	2040	1,800,000 <sup>(2)</sup>
2027	1,080,000 <sup>(2)</sup>	2041	1,870,000 <sup>(2)</sup>
2028	1,125,000 <sup>(2)</sup>	2042	1,945,000 <sup>(2)</sup>
2029	1,170,000 <sup>(2)</sup>	2043	2,025,000 <sup>(2)</sup>
2030	1,215,000 <sup>(2)</sup>	2044	2,105,000 <sup>(2)</sup>
2031	1,265,000 <sup>(2)</sup>	2045	2,190,000 <sup>(2)</sup>

- (1) Preliminary, subject to change. See "Bidding Information and Award—Adjustment of Principal Amounts and Bid Price After Receipt of Bids" below for a description of the City's right to adjust the principal amounts after the bids are received.
- (2) These amounts will constitute principal maturities of the UTGO Bonds unless UTGO Term Bonds are specified by the successful bidder, in which case the amounts so specified will constitute mandatory sinking fund redemptions of UTGO Term Bonds.

*2016B Bonds.* The successful bidder for the 2016B Bonds shall designate whether some or all of the principal amounts of the 2016B Bonds maturing on and after April 1, 2027, shall be retired as shown in the table below as serial bonds maturing in such year or as amortization installments of 2016B Term Bonds maturing in the years



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specified by the bidder. 2016B Term Bonds, if any, must consist of the total principal payments of two or more consecutive years and mature in the latest of those years.

2016B BONDS

Serial Maturities or Amortization		Serial Maturities or Amortization	
Years (Apr. 1)	Installments <sup>(1)</sup>	Years (Apr. 1)	Installments <sup>(1)</sup>
2017	\$ 240,000	2027	\$ 295,000 <sup>(2)</sup>
2018	245,000	2028	305,000 <sup>(2)</sup>
2019	245,000	2029	315,000 <sup>(2)</sup>
2020	250,000	2030	325,000 <sup>(2)</sup>
2021	255,000	2031	335,000 <sup>(2)</sup>
2022	260,000	2032	345,000 <sup>(2)</sup>
2023	265,000	2033	360,000 <sup>(2)</sup>
2024	275,000	2034	370,000 <sup>(2)</sup>
2025	280,000	2035	385,000 <sup>(2)</sup>
2026	290,000	2036	400,000 <sup>(2)</sup>

- (1) Preliminary, subject to change. See “Bidding Information and Award—Adjustment of Principal Amounts and Bid Price After Receipt of Bids” below for a description of the City’s right to adjust the principal amounts after the bids are received.
- (2) These amounts will constitute principal maturities of the 2016B Bonds unless 2016B Term Bonds are specified by the successful bidder, in which case the amounts so specified will constitute mandatory sinking fund redemptions of 2016B Term Bonds.

**Redemption**

*Optional Redemption—2016A Bonds.* The 2016A Bonds maturing on and before April 1, 2026, are not subject to redemption prior to maturity. The City reserves the right and option to redeem the 2016A Bonds maturing on and after April 1, 2027, prior to their stated maturity dates at any time on and after April 1, 2026, as a whole or in part, at a price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption. See “Description of the Bonds—Redemption of Bonds—Optional Redemption-2016A Bonds” in the Preliminary Official Statement.

*Optional Redemption—UTGO Bonds.* The UTGO Bonds maturing on and before December 1, 2025, are not subject to redemption prior to maturity. The City reserves the right and option to redeem the UTGO Bonds maturing on and after December 1, 2026, prior to their stated maturity dates at any time on and after June 1, 2026, as a whole or in part, at a price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption. See “Description of the Bonds—Redemption of Bonds—Optional Redemption-UTGO Bonds” in the Preliminary Official Statement.

*Optional Redemption—2016B Bonds.* The 2016B Bonds maturing on and before April 1, 2026, are not subject to redemption prior to maturity. The City reserves the right and option to redeem the 2016B Bonds maturing on and after April 1, 2027, prior to their stated maturity dates at any time on and after April 1, 2026, as a whole or in part, at a price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption. See “Description of the Bonds—Redemption of Bonds—Optional Redemption-2016B Bonds” in the Preliminary Official Statement.

*Mandatory Redemption.* As indicated on the schedules above, Bonds of any Series that are designated by the successful bidder for such Series as Term Bonds will be subject to mandatory sinking fund redemption. See “Description of the Bonds—Redemption of Bonds—Mandatory Redemption” in the Preliminary Official Statement.

*Selection of Bonds for Redemption.* If fewer than all of the Bonds of a Series are to be redeemed prior to maturity, the selection of such Bonds for redemption shall be made as described under “Description of the Bonds—Redemption of Bonds—Selection of Bonds for Redemption” in the Preliminary Official Statement.

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**Purpose**

The 2016A Bonds are being issued to (i) pay or reimburse the City for the costs of certain capital improvements, (ii) subject to market conditions, refund certain of its outstanding limited tax general obligation bonds, and (iii) pay the costs of issuing the 2016A Bonds and administering the Refunding Plan.

The UTGO Bonds are the fourth and final series of voter-approved bonds that were approved on November 6, 2012, and are being issued to pay or reimburse a portion of the costs of the replacement of the seawall and associated public facilities and infrastructure and to pay the costs of issuing the UTGO Bonds.

The 2016B Bonds are being issued to assist the Pike Place Market Preservation and Development Authority in undertaking certain capital improvements and to pay the costs of issuing the 2016B Bonds.

See “Use of Proceeds” in the Preliminary Official Statement.

**Security**

The Bonds are general obligations of the City.

For so long as any of the LTGO Bonds are outstanding, the City irrevocably pledges to include in its budget and levy taxes annually, within the constitutional and statutory tax limitations provided by law without a vote of the electors of the City, on all of the taxable property within the City in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the LTGO Bonds.

For so long as any of the UTGO Bonds are outstanding, the City irrevocably pledges to include in its budget and to levy taxes annually, without limitation as to rate or amount as permitted by law upon a vote of the electors of the City, on all of the taxable property within the City in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the UTGO Bonds.

The full faith, credit, and resources of the City are pledged irrevocably for the annual levy and collection of the respective taxes pledged to the Bonds and the prompt payment of the principal of and interest on the Bonds. The City’s authority relating to tax collections and expenditures is more fully described in the Preliminary Official Statement.

*The Bonds do not constitute a debt or indebtedness of the State of Washington (the “State”) or any political subdivision of the State other than the City or a debt of any proprietary or enterprise fund of the City (including the City’s utilities) or of any public development authority chartered by the City.*

See “Security for the Bonds” in the Preliminary Official Statement.

**BIDDING INFORMATION AND AWARD**

Bidders are invited to submit separate bids for the purchase of each Series of the Bonds fixing the interest rate or rates that such Series of the Bonds will bear. Interest rates included as part of a bid for either the 2016A Bonds or the UTGO Bonds shall be in multiples of 1/8 or 1/20 of 1%, or any combination thereof. Interest rates included as part of a bid for the 2016B Bonds shall be in multiples of 1/8 or 1/100 of 1%. No more than one rate of interest may be fixed for any one maturity of a Series of the Bonds. For the 2016A Bonds maturing on and after April 1, 2027, and the UTGO Bonds maturing on and after December 1, 2026, no interest rate less than 4.00% may be used. For the 2016A Bonds, no coupon higher than 5.00% may be used.

No bid will be considered for the 2016A Bonds that is less than an amount equal to 109% of the stated principal amount of the 2016A Bonds nor more than an amount equal to 120.5% of the stated principal amount of the 2016A Bonds.

No bid will be considered for the UTGO Bonds that is less than an amount equal to 107.5% of the stated principal amount of the UTGO Bonds nor more than an amount equal to 123% of the stated principal amount of the UTGO Bonds.

No bid will be considered for the 2016B Bonds that is less than an amount equal to 99% of the stated principal amount of the 2016B Bonds nor more than an amount equal to 101% of the stated principal amount of the 2016B Bonds. Each individual maturity of the 2016B Bonds maturing on and after April 1, 2027, must be reoffered at a yield that will produce a price of not less than 98% of the principal amount for that maturity.



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For the purpose of this section, “price” means the lesser of the price at the redemption date, if any, or the price at the maturity date.

Bids for each Series of the Bonds must be unconditional. No bid for less than the entire offering of a Series of the Bonds will be accepted. Bids may not be withdrawn or revised after the cut-off time for receiving bids. The City strongly encourages the inclusion of women and minority business enterprise firms in bidding syndicates.

**Bidding Process**

Bids for each Series of the Bonds must be submitted separately via Parity. By submitting an electronic bid for a Series of the Bonds, each bidder thereby agrees to the following terms and conditions:

- (i) If any provision in this Official Notice of Bond Sale conflicts with information or terms provided or required by Parity, this Official Notice of Bond Sale (including any modifications provided by the City to Parity) shall control.
- (ii) Each bidder is solely responsible for making necessary arrangements to access Parity for purposes of submitting a timely bid in compliance with the requirements of this Official Notice of Bond Sale (including any modifications provided by the City to Parity).
- (iii) The City has no duty or obligation to provide or assure access to Parity, and the City shall not be responsible for the proper operation of Parity, or have any liability for any delays or interruptions or any damages caused by use or attempted use of Parity.
- (iv) Parity is acting as an independent contractor, and is not acting for or on behalf of the City.
- (v) The City is not responsible for ensuring or verifying bidder compliance with Parity’s procedures.
- (vi) If the bidder’s bid is accepted by the City, this Official Notice of Bond Sale (including any modifications provided by the City to Parity) and the information that is submitted electronically through Parity shall form a contract, and the bidder shall be bound by the terms of such contract.
- (vii) Information provided by Parity to bidders shall form no part of any bid or of any contract between the successful bidder and the City unless that information is included in this Official Notice of Bond Sale (including any modifications provided by the City to Parity).

**Good Faith Deposit**

Each bid must be backed by a good faith deposit in the amount of \$1,075,000 with respect to the 2016A Bonds, \$375,000 with respect to the UTGO Bonds, and \$60,000 with respect to the 2016B Bonds. The applicable good faith deposit must be paid by federal funds wire transfer within 90 minutes after notice from the City to the apparent successful bidder for a Series of the Bonds. Wiring instructions will be provided to the apparent successful bidder for each Series at the time of the notice from the City.

The good faith deposit for each Series of the Bonds shall be retained by the City as security for the performance of the apparent successful bidder and shall be applied to the purchase price of the applicable Series upon the delivery of such Series to the apparent successful bidder. Pending delivery of a Series of the Bonds, the good faith deposit may be invested for the sole benefit of the City. If a Series of the Bonds is ready for delivery and the apparent successful bidder for such Series fails or neglects to complete the purchase of such Series within 30 days following the acceptance of its bid, the good faith deposit for such Series shall be retained by the City as reasonable liquidated damages and not as a penalty.

**Award**

The Bonds of each Series will be sold to the bidder making a bid for that Series that conforms to the terms of the offering and is, based on the City’s determination of the lowest true interest cost, the best bid. The true interest cost will be the rate that, when used to discount to the date of such Series all future payments of principal and interest (using semiannual compounding and a 30/360 day basis), produces an amount equal to the bid amount for such Series, without regard to the interest accrued to the date of such Series. The true interest cost calculations for each Series will be performed by the City’s Financial Advisor, and the City will base its determination of the best bid for such Series solely on such calculations. If there are two or more equal bids for a Series and those bids are the best bids received, the Director of Finance will determine by random selection which bid will be presented to the City Council.

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The apparent successful bidder for each Series of the Bonds will be notified by the City and must provide a good faith deposit as described above. The bid for each Series will be presented to the City Council at approximately 1:30 p.m., Pacific Time, on the date set for receiving bids and shall remain in effect until 5:00 p.m., Pacific Time, on that date. Such bid shall be considered awarded upon the City Council's adoption of a resolution accepting the bid.

The City reserves the right to reject any or all bids submitted and to waive any formality or irregularity in any bid or the bidding process. If all bids for a Series of the Bonds are rejected, then such Series may be sold in the manner provided by law. Any bid presented after the cut-off time for receiving bids will not be accepted.

**Adjustment of Principal Amounts and Bid Price After Receipt of Bids**

The City reserves the right to increase or decrease the preliminary aggregate principal amount of the 2016A Bonds shown on Parity by an amount not to exceed 10% of the aggregate principal amount of the 2016A Bonds after the cut-off time for receiving bids. The City also reserves the right to increase or decrease the preliminary principal amount of any maturity of the 2016A Bonds shown on Parity by an amount not to exceed 15% of the preliminary principal amount of that maturity.

The City reserves the right to increase or decrease the preliminary aggregate principal amount of the UTGO Bonds shown on Parity by an amount not to exceed 10% of the aggregate principal amount of the UTGO Bonds after the cut-off time for receiving bids. The City also reserves the right to increase or decrease the preliminary principal amount of any maturity of the UTGO Bonds shown on Parity by an amount not to exceed the greater of \$200,000 or 15% of the preliminary principal amount of that maturity.

The City reserves the right to increase or decrease the preliminary aggregate principal amount of the 2016B Bonds shown on Parity by an amount not to exceed 10% of the aggregate principal amount of the 2016B Bonds after the cut-off time for receiving bids. The City also reserves the right to increase or decrease the preliminary principal amount of any maturity of the 2016B Bonds shown on Parity by an amount not to exceed 15% of the preliminary principal amount of that maturity.

If the preliminary principal amount of a Series of the Bonds is adjusted by the City, the price bid by the successful bidder for such Series will be adjusted by the City on a proportionate basis to reflect an increase or decrease in the principal amount and maturity schedule. In the event that the City elects to increase or decrease the principal amount of a Series after receiving bids, the underwriter's discount, expressed in dollars per thousand, will be held constant. The City will not be responsible in the event and to the extent that any adjustment affects (i) the net compensation to be realized by the successful bidder, or (ii) the true interest cost of the winning bid or its ranking relative to other bids.

**Issue Price Information**

Upon award of a Series of the Tax-Exempt Bonds, the successful bidder for such Series shall advise the City and Bond Counsel of the initial reoffering prices to the public of each maturity of such Series (the "Initial Reoffering Prices"), for the City's inclusion in the final Official Statement for the Bonds. Prior to delivery of a Series of Tax-Exempt Bonds, the successful bidder for such Series shall furnish to the City and Bond Counsel a certificate in form and substance acceptable to Bond Counsel:

- (i) confirming the Initial Reoffering Prices of such Series of Tax-Exempt Bonds,
- (ii) certifying that a *bona fide* offering of such Series of Tax-Exempt Bonds has been made to the public (excluding bond houses, brokers, and other intermediaries),
- (iii) stating the first price at which a substantial amount (at least 10%) of each maturity of such Series of Tax-Exempt Bonds was sold to the public (excluding bond houses, brokers, and other intermediaries), and
- (iv) if the first price at which a substantial amount of any maturity of such Series of Tax-Exempt Bonds is sold does not conform to the Initial Reoffering Price of that maturity, providing an explanation of the facts and circumstances that resulted in that nonconformity.

A draft form of such certificate may be obtained prior to the sale date by contacting the City's Financial Advisor. See "Contact Information" in this Official Notice of Bond Sale.



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### **Insurance**

No bid for a Series of the Bonds may be conditioned upon obtaining insurance or any other credit enhancement, or upon the City's acceptance of any of the terms of insurance or other credit enhancement. Any purchase of municipal bond insurance or commitment therefor shall be at the sole option and expense of the bidder for such Series, and any increased costs of issuance of such Series resulting by reason of such insurance, unless otherwise paid, shall be paid by such bidder, but shall not, in any event, be paid by the City. Any failure of a Series to be so insured or of any such policy of insurance to be issued shall not in any way relieve the successful bidder for such Series of its contractual obligations arising from the acceptance of its bid.

If the successful bidder for a Series of the Bonds purchases insurance for such Series, the City may require such successful bidder to furnish to the City and Bond Counsel a certificate in form and substance acceptable to Bond Counsel confirming that the present value (calculated using the same yield as the yield on the insured Bonds) of the insurance premium is less than the present value (calculated using the same yield as the yield on the insured Bonds) of the interest cost savings represented by the comparative differences between interest amounts that would have been payable on the various maturities of the insured Bonds at interest rates on the insured Bonds issued with and without the insurance on the insured Bonds.

### **Ratings**

The LTGO Bonds have been rated "Aa1," "AAA," and "AAA" and the UTGO Bonds have been rated "Aaa," "AAA," and "AAA" by Moody's Investors Service, Inc., Standard & Poor's Ratings Services, and Fitch Ratings, respectively. The City will pay the fees for these ratings; any other ratings for a Series of the Bonds are the responsibility of the successful bidder.

### **DELIVERY**

The City will deliver the Bonds (consisting of one certificate for each maturity of each Series of the Bonds) to DTC in New York, New York, or to the Bond Registrar on behalf of DTC, for closing by Fast Automated Securities Transfer, prior to the date of closing. Closing shall occur within 30 days after the sale date. Settlement shall be in immediately available federal funds on the date of delivery.

If, prior to the delivery of a Series of Tax-Exempt Bonds, the interest receivable by the owners of such Series of Tax-Exempt Bonds becomes includable in gross income for federal income tax purposes, or becomes subject to federal income tax other than as described in the Preliminary Official Statement, the successful bidder for such Series of Tax-Exempt Bonds, at its option, may be relieved of its obligation to purchase such Series of Tax-Exempt Bonds and, in that case, the good faith deposit accompanying its bid will be returned without interest.

The City will furnish to the successful bidder for each Series of the Bonds one CD-ROM transcript of proceedings; additional transcripts will be furnished at the successful bidder's cost.

### **Legal Opinions**

The approving legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Seattle, Washington, Bond Counsel, with respect to each Series of the Bonds will be provided to the successful bidder for such Series at the time of the delivery of such Series. The forms of Bond Counsel's opinions are attached to the Preliminary Official Statement as Appendix A. A no-litigation certificate from the City will be included in the closing documents for the Bonds.

### **CUSIP Numbers**

It is anticipated that a CUSIP identification number will appear on each Bond of each Series, but neither the failure to insert such number nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder for each Series to accept delivery of and pay for such Series in accordance with the terms of this Official Notice of Bond Sale.

*The successful bidder for each Series of the Bonds is responsible for obtaining CUSIP numbers for such Series. The charge of the CUSIP Service Bureau shall be paid by such successful bidder.*

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#### CONTINUING DISCLOSURE UNDERTAKING

In order to assist bidders in complying with paragraph (b)(5) of U.S. Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”), the City will undertake to provide certain annual financial information and notices of the occurrence of certain events. A description of this undertaking and the City’s compliance with its prior undertakings is set forth in the Preliminary Official Statement under “Legal and Tax Information—Continuing Disclosure Undertaking” and also will be set forth in the final Official Statement.

#### OFFICIAL STATEMENT

##### **Preliminary Official Statement**

The Preliminary Official Statement is in a form that the City has deemed final for the purpose of paragraph (b)(1) of Rule 15c2-12, but is subject to revision, amendment, and completion in a final Official Statement, which the City will deliver, at the City’s expense, to the successful bidder for each Series of the Bonds through its designated representative not later than seven business days after the City’s acceptance of such successful bidder’s bid, in sufficient quantities to permit such successful bidder to comply with Rule 15c2-12.

By submitting the successful bid for a Series of the Bonds, the successful bidder’s designated representative agrees:

- (i) to provide to the City’s Debt Manager, in writing, within 24 hours after the acceptance of the bid, pricing and other related information, including Initial Reoffering Prices of such Series, necessary for completion of the final Official Statement (see “Bidding Information and Award—Issue Price Information”);
- (ii) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any amendments or supplements prepared by the City;
- (iii) to take any and all actions necessary to comply with applicable rules of the Securities and Exchange Commission and Municipal Securities Rulemaking Board governing the offering, sale, and delivery of such Series of the Bonds to ultimate purchasers, including the delivery of a final Official Statement to each investor who purchases such Series of the Bonds; and
- (iv) to file the final Official Statement or cause it to be filed with the Municipal Securities Rulemaking Board within one business day following its receipt from the City.

The Preliminary Official Statement may be obtained from i-Deal Prospectus, a service of i-Deal LLC, at [www.i-dealprospectus.com](http://www.i-dealprospectus.com), telephone (212) 849-5024. In addition, the Preliminary Official Statement may be obtained upon request to the City’s Debt Manager or Financial Advisor. See “Contact Information” in this Official Notice of Bond Sale.

##### **Official Statement**

At closing, the City will furnish a certificate of an official or officials of the City stating that, to the best knowledge of such official(s), as of the date of the Official Statement and as of the date of delivery of the Bonds,

- (i) the information (including financial information) regarding the City contained in the Official Statement was and is true and correct in all material respects and did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; and
- (ii) the descriptions and statements, including financial data, of or pertaining to entities other than the City and their activities contained in the Official Statement have been obtained from sources that the City believes to be reliable, and the City has no reason to believe that they are untrue in any material respect (however, the City will make no representation regarding Bond Counsel’s forms of opinions, the information provided by Bond Counsel under “Legal and Tax Information—Limitations on Remedies and Municipal Bankruptcies,” “—Tax Exemption-Tax-Exempt Bonds,” and “—Tax Matters-2016B Bonds,” or the information provided by or obtained from DTC or any entity providing bond insurance or other credit facility).

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DATED at Seattle, Washington, this 26th day of April, 2016.

/s/ Glen M. Lee

Glen M. Lee  
Director of Finance