

OFFICIAL NOTICE OF SALE

\$85,000,000¹

FAIRFIELD-SUISUN UNIFIED SCHOOL DISTRICT (SOLANO AND NAPA COUNTIES, CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES 2016

NOTICE IS HEREBY GIVEN that faxed and electronic proposals only will be received by representatives of the Fairfield-Suisun Unified School District (the “District”), on the date and up to the time and in the manner described below, for the purchase of all, but not less than all, of the principal amount of Fairfield-Suisun Unified School District (Solano and Napa Counties, California), General Obligation Bonds, Election of 2016, Series 2016 (the “Bonds”).

Date: September 7, 2016¹

Time: 9:30 a.m., California time

Electronic Bids: May be submitted only through **PARITY™** (the “Qualified Electronic Bid Provider”) as described below. **No other form of bid or provider of electronic bidding services will be accepted.**

Preliminary Official Statement. The Bonds are more particularly described below and in the Preliminary Official Statement dated August 31, 2016, relating to the Bonds, available at the Royce Printing website, royceprinting@comcast.net. For assistance in obtaining the Preliminary Official Statement from this website, contact Royce Printing’s customer service or the District’s financial advisor, Isom Advisors, a division of Urban Futures, Incorporated, at (925) 478-7450.

Right to Modify Notice of Sale and to Postpone or Cancel Sale. The District reserves the right, in its sole discretion, to modify or amend this Notice of Sale including, but not limited to, the right to adjust and change the total principal amounts and principal amortization schedule of the Bonds being offered, and to postpone the sale of the Bonds to a later date or time or to cancel the sale. Notice of a change to the Notice of Sale or a postponement or cancellation of the sale will be communicated through the Qualified Electronic Bid Provider and Royce Printing not later than 2:00 p.m. California time on the business day prior to the bid opening or, in the case of a cancellation, at any time prior to the receipt of bids. If the sale is postponed, a later public sale may be held on a date and at a time to be announced at least 20 hours in advance through the Qualified Electronic Bid Provider and Royce Printing. Failure of any bidder to receive such notice through the Qualified Electronic Bid Provider and Royce Printing shall not affect the sufficiency of any required notice or the legality of the sale. The District also reserves the right to adjust the principal amounts and maturities of the Bonds offered after the bids are opened as further described under “Adjustment of Principal Amounts.”

DESCRIPTION OF THE BONDS

The authority for issuance, purpose, security and sources of payment, principal and interest repayment, and all other information regarding the Bonds are presented in the Preliminary Official

¹ Subject to change before the sale date and time as provided herein.

Statement, which each bidder is deemed to have obtained and reviewed prior to bidding for the Bonds. This Official Notice of Sale governs only the terms of sale, bidding, award and closing procedures for the Bonds. The description of the Bonds contained in this Official Notice of Sale is qualified in all respects by the description contained in the Preliminary Official Statement.

The Bonds are generally described as follows:

Authority for Issuance. The Bonds are issued pursuant to the Constitution and laws of the State of California (the "State"), including the terms of Article 4.5, Chapter 3, Part 1, Division 1, Title 1 of the California Government Code (commencing with Section 53506). The Bonds are authorized to be issued pursuant to that certain resolution adopted by the Board of Trustees of the Fairfield-Suisun Unified School District (the "Board") on August 11, 2016, and are issued pursuant to that certain Paying Agent Agreement dated September 1, 2016, between the District and U.S. Bank National Association, as paying agent (the "Paying Agent") (the "Paying Agent Agreement").

The District received authorization by the requisite fifty-five percent (55%) of the votes cast at an election held on June 7, 2016, to issue \$249,000,000 aggregate principal amount of general obligation bonds.

Purpose of the Issue. The Bonds are to be issued for the purpose of financing capital improvements for the District, including but not limited to the renovation, modernization, and construction of schools and classrooms throughout the District, and to pay costs of issuance.

Security for the Bonds. The Bonds are general obligations of the District. The Board of Supervisors of Solano County (the "County") and Napa County are both empowered and obligated to levy *ad valorem* taxes upon all property within the District subject to taxation by the District, without limitation of rate or amount (except for certain personal property that is taxable at limited rates) for the payment of debt service on the Bonds. Such taxes, when collected, will be placed in the District's Interest and Sinking Fund, which is maintained by the County and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due. All Bonds are equally secured by the taxes collected.

Form of Bonds; Book-Entry Only. The Bonds will be fully registered bonds without coupons in book-entry form. The Bonds will be registered in the name of a nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in denominations of \$5,000 or any integral multiple thereof. Beneficial owners will not receive bond certificates representing their interest in the Bonds purchased. As of the date of award of the Bonds, the successful bidder (the "Purchaser") must either participate in DTC or must clear through or maintain a custodial relationship with an entity that participates in DTC.

Interest Payments. The Bonds shall bear interest from their date of delivery, which is expected to be September 28, 2016, at a rate or rates to be determined at the sale thereof. Interest on the Bonds shall be payable on February 1, 2017, and semiannually thereafter on February 1 and August 1 of each year. Interest shall be calculated on the basis of a 30-day month, 360-day year.

Principal Payments or Maturities. The Bonds shall mature (or be subject to mandatory sinking fund redemption) commencing August 1, 2017, and on each subsequent August 1 as shown

below, and shall consist of serial or term Bonds, as specified by the Purchaser. The final maturity of the Bonds shall be August 1, 2046. No Bond shall have principal maturing on more than one principal payment date. The principal amount of Bonds maturing or subject to mandatory sinking fund redemption in any year shall be in integral multiples of \$5,000. No serial Bonds may mature following the commencement of the first mandatory sinking fund payment. For any term Bonds specified, the principal amount for a given year may be allocated only to a single term Bond and must be part of an uninterrupted annual sequence from the first mandatory sinking fund payment to the term Bond maturity. Subject to adjustment as hereinafter provided, the aggregate principal amount of the serial maturity or mandatory sinking fund payment for the Bonds in each year is as follows:

Principal Payment Date (August 1)	Principal Amount*	Principal Payment Date	Principal Amount*
2017	\$6,100,000	2032	\$1,915,000
2018	6,400,000	2033	2,130,000
2019	1,310,000	2034	2,355,000
2020	1,505,000	2035	2,595,000
2021	1,720,000	2036	2,850,000
2022	255,000	2037	3,115,000
2023	380,000	2038	3,400,000
2024	515,000	2039	3,695,000
2025	655,000	2040	4,010,000
2026	805,000	2041	4,340,000
2027	965,000	2042	4,685,000
2028	1,135,000	2043	5,050,000
2029	1,315,000	2044	5,440,000
2030	1,505,000	2045	5,855,000
2031	1,705,000	2046	6,295,000

* Subject to change; see “*Adjustment of Principal Amounts*” below.

Adjustment of Principal Amounts . The principal amounts of each maturity of Bonds set forth above reflect certain estimates of the District and its Financial Advisor with respect to the likely interest rates of the winning bid and the premium contained in the winning bid. Following the determination of the Purchaser, the District reserves the right to increase or decrease the principal amount of each maturity of the Bonds, in \$5,000 increments, and to increase or decrease the aggregate principal amount of the Bonds to be issued; provided, however, that the adjusted aggregate principal amount of the Bonds shall not exceed \$85,000,000. Such adjustment shall be made within twenty-six (26) hours of the bid opening and in the sole discretion of the District. The aggregate price bid by the Purchaser will be adjusted by the District proportionate to any increase or decrease in the aggregate principal amount of the Bonds and without consideration for the offering price by the Purchaser to the public of any individual maturity of the Bonds.

The Purchaser may not withdraw its bid or change the interest rates bid or any initial offering prices as a result of any adjustments made to the principal payment schedule of the Bonds in accordance with this Official Notice of Sale. The dollar amount of the price bid will be changed so

that the percentage of net compensation paid to the Purchaser under the adjusted principal payment schedule does not increase or decrease from what it would have been if no adjustment had been made to the principal amounts shown in the maturity schedule bid upon by the Purchaser.

Optional Redemption. Bonds maturing on or after August 1, 2027, are subject to redemption prior to their respective stated maturities, at the option of the District, from any source of available funds, as a whole or in part on any date (by such maturities as may be specified by the District and at random within a maturity), on or after August 1, 2026, at a redemption price equal to the principal amount of Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

Sinking Fund Redemption. Term Bonds, if any, are further subject to mandatory redemption prior to their stated maturity dates, on August 1 of each year, as of the date fixed for which a mandatory sinking fund redemption is specified by the Purchaser, at a redemption price equal to the principal amount, thereof, without premium. No term Bonds may be redeemed from mandatory sinking fund payments until all term Bonds maturing on preceding term maturity dates, if any, have been retired.

Tax-Exempt Status. In the opinion of Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, Sacramento, California ("Bond Counsel"), under existing statutes, regulations, rulings and court decisions and assuming compliance with certain covenants in the Paying Agent Agreement, interest on the Bonds is excludable from gross income for federal income tax purposes and will be exempt from California personal income taxes. In addition, interest on the Bonds is not an item of tax preference for purposes of the federal individual or corporate alternative minimum taxes, although the opinion will observe that it is included in adjusted current earnings when calculating corporate alternative minimum taxable income for federal income tax purposes. See the Preliminary Official Statement for further particulars.

TERMS OF SALE

Submission of Bids: Only electronic bids submitted via PARITY™ will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person directly to the District will be accepted. Bidders are permitted to submit bids for the Bonds during the bidding time period, provided they are eligible to bid as described under "Eligibility to Bid". Each electronic bid submitted via PARITY™ for the purchase of the Bonds shall be deemed an offer to purchase the Bonds in response to this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District.

Electronic Bidding: The use of PARITY™ electronic bidding shall be at the bidder's risk and expense, and the District shall have no liability with respect thereto. The District is using electronic bidding as a communications medium and PARITY™ is not acting as the District's agent. If any provisions of this Notice of Sale, as may be amended by notice through the Qualified Electronic Bid Provider and Royce Printing, conflict with information provided by PARITY™, this Notice of Sale shall control. The District is not bound by any advice or determination of PARITY™ as to whether any bid complies with the terms of this Notice of Sale. The time as maintained by PARITY™ shall constitute the official time with respect to all bids submitted.

Eligibility to Bid: The District does not have a registration requirement for prospective bidders. However, bidders submitting electronic bids must be contracted customers of the BidCOMP Competitive Bidding System and should promptly contact PARITY™ directly for information about PARITY™, including its rules and fees, and becoming a contracted customer.

Form of Bid: All bids must be unconditional. Bidders must bid for all maturities of the Bonds. Each bid must specify (1) an annual rate of interest for each maturity of the Bonds, (2) the reoffering price or yield of each such maturity, and (3) a dollar purchase price for the Bonds. The purchase price bid may not be less than the par amount of the Bonds. Bids that do not conform to these requirements will be rejected.

Limitation on Interest Rates Specified: Each bidder must specify the rate or rates of interest to be borne by the Bonds of each maturity. Bidders may specify any number of separate rates, and the same rate or rates may be repeated as often as desired, provided:

- i. The maximum interest rate coupon bid for any Bond may not exceed six percent (6.0%) per annum;
- ii. No Bond shall bear more than one rate of interest;
- iii. Each Bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid;
- iv. All Bonds of the same maturity shall bear the same rate of interest; and
- v. The interest rate specified in any bid must be in multiples of 1/8 or 1/20 of 1% per annum, and a zero rate of interest cannot be specified.

Basis of Award. Unless all bids are rejected, the Bonds will be awarded to the responsible bidder who submits a conforming bid that represents the lowest true interest cost (“TIC”) to the District. The TIC will be that nominal interest rate that, when compounded semiannually and applied to discount all payments of principal and interest payable on the Bonds to the date of the Bonds, results in an amount equal to the principal amount of the Bonds plus the amount of any premium bid. For the purpose of calculating the TIC, mandatory sinking fund payments for any term Bonds specified by each bidder will be treated as Bonds maturing on the dates of such mandatory sinking fund payments.

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The determination of the bid representing the lowest TIC will be made without regard to any adjustments made or contemplated to be made after award of the Bonds as described above under “Adjustment of Principal Amounts” even if such adjustments have the effect of raising the TIC of a winning bid to a level higher than the bid containing the next lowest TIC prior to adjustment.

If two or more bidders offer bids for the Bonds at the same lowest TIC, the District will determine by lot which bidder will be awarded the Bonds.

Municipal Bond Insurance Policy. The District has not applied for bond insurance.

Ratings. The District has applied for and will pay the cost of ratings from Moody's Investors Service and Fitch Ratings, Inc. Any other applications for ratings and expenses related thereto shall be the sole responsibility of the bidder.

Estimate of True Interest Cost. Bidders are requested, but not required, to supply a calculation of the TIC to the District as described above and the estimated net interest cost to the District (the total dollar amount of interest over the term of the bonds), on the basis of their respective bids, which shall be considered as informative only and not binding on either the bidder or the District.

Underwriting Group. Each bidder is requested to furnish the names of all firms participating in the bid.

Good Faith Deposit. The Purchaser shall wire a good faith deposit (the "Deposit") in the amount of \$100,000 to the District within twenty-four (24) hours following the verbal notification of award. Wiring instructions will be provided to the Purchaser. No interest on the Deposit will accrue to the Purchaser. The amount of the Deposit will be applied as a credit towards the payment of the purchase price by the Purchaser. If after the award of the Bonds, the winning bidder fails to complete its purchase on the terms stated in its proposal, the full amount of the Deposit will be forfeited to and retained by the District as stipulated and liquidated damages. Such retention shall constitute a full release and discharge of all claims by the District against the winning bidder arising from such failure. The District's actual damages in such event may be greater or may be less than the amount of the Deposit. Each bidder waives any right to claim that the District's actual damages are less than such amount.

Right of Rejection and Waiver of Irregularity. The District reserves the right, in its sole discretion, to (a) reject any and all bids or (b) waive any irregularity or informality in any bid that does not materially affect such bid or change the ranking of the bids.

Prompt Award. The District, acting through the Financial Advisor, will award the Bonds, or reject all bids, not later than 5:00 p.m. California time, on the date of the sale, provided that the award may be made after the specified time if the bidder shall not have given to the District a notice in writing of the withdrawal of such bid.

CLOSING PROCEDURES AND DOCUMENTS

Delivery and Payment. Delivery of the Bonds, in the form of one certificate for each maturity, shall be made to the Purchaser through the facilities of DTC in New York, New York, or through the Trustee (in care of DTC) through the Fast Automated Securities Transfer System or at any other location mutually agreeable to both the District and the Purchaser, as soon as practicable. The anticipated date of delivery of the Bonds is September 28, 2016. Payment for the Bonds (including any premium) must be made by wire transfer in immediately available funds. Any expense for making payment in immediately available funds shall be borne by the Purchaser. The costs of preparing the Bonds will be borne by the District.

Right of Cancellation. The Purchaser shall have the right, at its option, to cancel its obligation to purchase the Bonds if the District shall fail to tender the Bonds for delivery within 30

days from the date of sale thereof, and in such event the Purchaser shall only be entitled to the return of the principal amount of the Deposit that accompanied its bid.

Reoffering Prices; Certification. The Purchaser shall provide to the District, in writing, at or before the close of business on the business day following the sale of the Bonds, pricing and other information relating to the reoffering of the Bonds as the District may reasonably request in order to complete the Official Statement. Simultaneous with or before delivery of the Bonds, the Purchaser will furnish to the District a certificate regarding its reoffering of the Bonds and the reoffering prices in the form attached as Exhibit A.

Legal Opinion. The District's obligation to deliver and the Purchaser's obligation to accept the Bonds shall be conditioned on the availability and the delivery of the approving opinion of Bond Counsel at the time of delivery of the Bonds, such opinion to be substantially in the form set forth in the Preliminary Official Statement. Delivery of the opinion is conditioned on delivery of certificates in form satisfactory to Bond Counsel evidencing the proper execution and delivery of the Bonds, the receipt of payment for the Bonds, compliance with the requirements of the Internal Revenue Code necessary to preserve tax exemption, and the absence of litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of the Bonds. A copy of the approving opinion will be furnished without cost to the Purchaser.

Official Statement. In accordance with Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), the District deems the Preliminary Official Statement final as of its date, except for the omission of certain information permitted by Rule 15c2-12. Additional copies of the Preliminary Official Statement when available will be furnished upon request made to the Financial Advisor, or an electronic copy is available at royceprinting@comcast.net.

Within seven business days after the date of award of the Bonds, the Purchaser will be furnished with a reasonable number of copies (not to exceed 100) of the final Official Statement, without charge. Upon the request of the Purchaser within two (2) days of the award of the Bonds, the District will supply additional copies of the Official Statement at the expense of the Purchaser.

By making a bid for the Bonds, each bidder agrees, if awarded the Bonds, (i) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any supplements, (ii) to promptly file a copy of the final Official Statement, including any supplements, with a nationally recognized municipal securities information repository, as defined in Rule 15c2-12, and (iii) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers, including without limitation the delivery of a final Official Statement to each investor who purchases Bonds.

The form and content of the final Official Statement of the District is within the sole discretion of the District. The Purchaser's name will ***not*** appear on the cover of the Official Statement.

Continuing Disclosure. In order to assist the successful bidder to comply with the responsibilities pursuant to Rule 15c2-12(b)(5) adopted under the Securities Exchange Act of 1934, as amended, the District will undertake to provide certain annual financial information and notices of

the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will be included in the final Official Statement.

Qualification for Sale. The District will furnish such information and take such action not inconsistent with law as the Purchaser may request and the District may deem necessary or appropriate to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Purchaser; *provided*, that the District will not execute a general or special consent to service of process or qualify to do business in connection with such qualification or determination in any jurisdiction. By submitting its bid for the Bonds, the Purchaser assumes all responsibility for qualifying the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of the states and jurisdictions in which the Purchaser offers or sells the Bonds, including the payment of fees for such qualification. Under no circumstances may the Bonds be sold or offered for sale or any solicitation of an offer to buy the Bonds be made in any jurisdiction in which such sale, offer or solicitation would be unlawful under the securities laws of the jurisdiction.

Official Statement Certificate. The District will furnish to the Purchaser a certificate, signed by an official of the District, dated the date of delivery of the Bonds, stating that, as of the date thereof, to the best of the knowledge and belief of the official, the Official Statement (except for information supplied by DTC or the issuer of any municipal bond insurance policy) does not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and further certifying that the signatory knows of no material adverse change in the condition of the District that would make it unreasonable for the Purchaser to rely upon the Official Statement in connection with the resale of the Bonds.

No Litigation Certificate. The District will furnish to the Purchaser a no-litigation certificate dated the date of delivery of the Bonds stating that there is no litigation pending concerning the validity of the Bonds or the levy and collection of the taxes securing the Bonds, or the existence of the District, or the title of the officers thereof to their respective offices.

CUSIP Numbers. It is anticipated that CUSIP numbers will be printed on the 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 to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. The expenses associated with printing CUSIP numbers on the Bonds shall be paid by the District, however, the CUSIP Service Bureau charge for the assignment of said CUSIP numbers shall be paid by the Purchaser.

California Debt and Investment Advisory Commission Fee. Pursuant to Section 8856 of the California Government Code, the Purchaser must pay to the California Debt and Investment Advisory Commission within 60 days from the sale date the statutory fee for the Bonds purchased. CDIAC will invoice the Purchaser after the closing of the sale of the Bonds.

ADDITIONAL INFORMATION

Questions regarding this notice should be directed to the office of the Financial Advisor:

Janice Peters, Principal
Isom Advisors, A Division of Urban Futures, Inc.
1470 Maria Lane, Suite 315
Walnut Creek, CA 94596
Telephone: (925) 478-7450

Dated: August 31, 2016

/s/ Kris Corey
Superintendent, Fairfield-Suisun Unified School District

EXHIBIT A

REOFFERING PRICE CERTIFICATE

This certificate is being delivered by _____ (the “Purchaser”) in connection with the issuance of the Fairfield-Suisun Unified School District (Solano and Napa Counties, California), 2016 General Obligation Bonds (the “Bonds”). The Purchaser hereby certifies and represents that:

1. All of the Bonds of all maturities have been the subject of an initial offering to the public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers) at prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, those shown in the Official Statement relating to the Bonds.

2. On September ___, 2016, the date of the sale of the Bonds (the “Sale Date”), to the best of our knowledge based on our records, the first price or yield at which at least ten percent of each maturity [*if less than ten percent of some maturities of the Bonds has been sold to the public, add:* , except the Bonds maturing in the year[s] [_____]], was sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) was not greater than the respective price, or was not lower than the respective yield, shown in the Official Statement. At the time we agreed to purchase the Bonds, based on our assessment of the then prevailing market conditions, we had no reason to believe that any of the Bonds would be initially sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices greater than the prices, or yields lower than the yields, shown in the Official Statement, and such prices and yields, maturity-by-maturity, represented our best judgment of the fair market value of the Bonds.

3. [Less than ten percent of the Bonds maturing in the year[s] [_____]] was sold to the public following a bona fide public offering at the prices or yields shown in the Official Statement. The unsold Bonds were bought by members of the bond syndicate. Even though, on the Sale Date, it was reasonably expected that such unsold Bonds would be held as inventory until sold to the public (as opposed to being held for the bond houses’ own accounts), and even though it could then be reasonably expected that such sale to the public might be at prices higher than the prices, or yields lower than the yields, shown in the Official Statement, our reasonable expectations regarding the fair market value of such Bonds as of the Sale Date were those reflected as the public offering prices or yields of such Bonds shown in the Official Statement.]

We understand that the representations contained herein may be relied upon by the District in making certain of the representations contained in the Tax Certificate, and we further understand that Bond Counsel may rely upon this certificate in providing an opinion with respect to the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Internal Revenue Code.

Dated: [Closing Date]

By: _____
Name: _____
Title: _____