

\$78,040,000*

**LANCASTER COUNTY SCHOOL DISTRICT 0001
(LINCOLN PUBLIC SCHOOLS)
IN THE STATE OF NEBRASKA
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017**

OFFICIAL NOTICE OF SALE

Lancaster County School District 0001 (Lincoln Public Schools) in the State of Nebraska General Refunding Bonds, Series 2017 (the “**Bonds**”) are being offered for sale in accordance with this Official Notice of Sale. Bids for the purchase of the Bonds will be received on behalf of Lancaster County School District 0001 (Lincoln Public Schools) in the State of Nebraska (the “**District**”) on the AICaution website (“**AICaution**”) at website address “www.aicauction.com” on **June 21, 2017** between 11:15 a.m. and 11:30 a.m., Eastern Time or such other date and time as may be established by the Associate Superintendent for Business Affairs or her designee and communicated by Thomson Municipal Market Monitor (TM3) or on AICaution not less than 20 hours prior to the time bids are to be received. To bid, bidders must have (a) completed the registration form on the AICaution website, and (b) requested and received admission to the District’s auction as described herein. The use of the AICaution shall be at the bidder’s risk and expense, and the District shall have no liability with respect thereto.

June 12, 2017

* Estimated, subject to change. Amounts may be increased or decreased after submission of bids as described under “**ADJUSTMENT OF PRINCIPAL AMOUNTS.**”

BOOK-ENTRY

OFFICIAL NOTICE OF SALE

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**LANCASTER COUNTY SCHOOL DISTRICT 0001
(LINCOLN PUBLIC SCHOOLS)
IN THE STATE OF NEBRASKA
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017**

Notice is hereby given that all-or-none bids will be received by Lancaster County School District 0001 (Lincoln Public Schools) in the State of Nebraska (the “**District**”) for the purchase of \$78,040,000* aggregate principal amount of the District’s General Obligation Refunding Bonds, Series 2017 (the “**Bonds**”) only on the AICaution website (“**AICaution**”) at website address “www.aicauction.com” between 11:15 a.m. and 11:30 a.m. Eastern Time on **Wednesday, June 21, 2017**, or on such other date and time as may be established by the Associate Superintendent for Business Affairs or her designee. The principal maturities of the Bonds, or any other provisions of this Official Notice of Sale may be amended by the District and communicated by Thomson Municipal Market Monitor or through AICaution not less than 20 hours prior to the time the bids are to be received. To bid, bidders must have (a) completed the registration form on the AICaution website, and (b) requested and received admission to the District’s auction as described under the heading “**REGISTRATION AND ADMISSION TO BID**” below. Use of the AICaution shall be at the bidder’s risk and expense, and the District shall have no liability with respect thereto. All capitalized terms used herein which are not otherwise defined shall have the respective meanings set forth in the Preliminary Official Statement hereinafter identified.

FORM, MATURITY AND PAYMENT OF BONDS

The Bonds shall be issued in fully registered, book-entry only form in the denominations of \$5,000 each or integral multiples thereof; shall be dated the date of delivery thereof (the “**Dated Date**,” currently anticipated to be July 6, 2017); will bear interest from their Dated Date, payable on January 15 and July 15 of each year, commencing January 15, 2018, and shall mature on January 15 in the years as set forth below in the approximate principal amounts set forth below:

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<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>
2018	\$1,610,000	2029	\$3,260,000
2019	3,640,000	2030	3,430,000
2020	4,980,000	2031	3,610,000
2021	2,305,000	2032	3,795,000
2022	2,270,000	2033	3,995,000
2023	2,380,000	2034	4,205,000
2024	2,510,000	2035	4,425,000
2025	2,640,000	2036	4,660,000
2026	2,785,000	2037	4,900,000
2027	2,940,000	2038	5,160,000
2028	3,100,000	2039	5,440,000

* Estimated, subject to change. **Individual maturities may be increased or decreased after submission of bids depending on aggregate original issue discount or original issue premium, and stated principal amount may be adjusted to a maximum of \$90,000,000, in order to sufficiently fund the escrow all as described under “ADJUSTMENT OF PRINCIPAL AMOUNTS” below.**

Bonds of any maturities may be designated as term bonds; provided, however that no more than two (2) term bond maturities may be specified in any bid.

BOOK-ENTRY SYSTEM

The Bonds will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“**DTC**”) under DTC’s Book-Entry system of registration. Purchasers of interests in the Bonds (the “**Beneficial Owners**”) will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry notations only. See “**APPENDIX D – BOOK-ENTRY SYSTEM**” to the Preliminary Official Statement with respect to the Bonds posted on AICaution (the “**Preliminary Official Statement**”). As long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, payments of principal and interest will be made directly to DTC which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

ADJUSTMENT OF PRINCIPAL AMOUNTS

The District reserves the right to make adjustments to maturities to meet its preferred annual debt service requirements. Any such adjustments are expected to primarily provide for level annual debt service, except in years ending January 15, 2018 through 2021 during which the District expects higher levels of debt service to meet its overall financing goals.

The District requires net funding of approximately \$87.5 million to sufficiently fund the Escrow for payment of the Refunded Bonds on the Redemption Date (see “AUTHORITY AND PURPOSE” below). As a result, the aggregate principal amount of the Bonds may be adjusted to accomplish such net funding and could be sized up to an aggregate stated principal amount of \$90,000,000 if pricing is at the minimum aggregate of 98%.

In the event of such adjustments, no rebidding or recalculation of the bids for the Bonds will be permitted or required. The purchase price of the Bonds will be computed by taking the adjusted par amount of the Bonds and either subtracting the aggregate original issue discount or adding the aggregate original issue premium, as applicable, computed on the adjusted par amounts of each maturity of the Bonds and the prices provided by the underwriters. The Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yields as specified for that maturity immediately after award of the Bonds by the successful bidder for the Bonds. However, the award will be made to the bidder whose bid produces the lowest true interest cost, calculated as specified below, solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of Bonds by the bidder pursuant to this paragraph.

TERM BOND OPTIONS

Any bidder may, at its option, specify that the stated maturities of the Bonds will consist of not to exceed two (2) term bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof (a **“Term Bond”**) as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of the Bonds will be a Term Bond, such Term Bond will be subject to mandatory sinking fund redemption on January 15, in each applicable year, in the principal amount for such year as set forth under the heading **“FORM, MATURITY AND PAYMENT OF BONDS,”** or as adjusted as provided herein, at a redemption price equal to 100% of the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

OPTIONAL REDEMPTION PROVISIONS

The Bonds maturing before January 15, 2027 are not redeemable prior to their stated dates of maturity. The Bonds maturing on or after January 15, 2028 are redeemable prior to their stated dates of maturity, at the option of the District, as a whole at any time or in part from time to time on or after July 15, 2027, from such maturities and in such amounts as the District in its discretion shall select and by lot within a maturity if less than a full maturity is redeemed, from money which may be available for such purpose and deposited with the paying agent for the Bonds on or before the date fixed for redemption, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest on such principal amount to the redemption date.

AUTHORITY AND PURPOSE

The Bonds have been authorized for issuance by a resolution duly passed and adopted by the Board of Education of the District on June 13, 2017 pursuant to authority granted to the District by Sections 10-142 and 10-717 to 10-719, inclusive, Reissue Revised Statutes of Nebraska, as amended. The Bonds are being issued to pay the principal of and interest on \$82,890,000 outstanding principal amount of General Obligation School Bonds, Series 2009, dated February 11, 2009, maturing on or after January 15, 2018 (the **“Refunded Bonds”**) through and including January 15, 2019 (the **“Redemption Date”**) and to redeem on the Redemption Date, all of the then-outstanding Refunded Bonds, and to pay the costs of issuance of the Bonds. The Refunded Bonds were issued to pay the costs of new school buildings, additions, repairs and other improvements to existing school buildings and to acquire sites for school buildings for the District.

SECURITY

The full faith and credit of the District will be pledged to the payment of the principal of and interest on the Bonds. The District has power and is obligated to levy ad valorem taxes without limitation as to rate or amount upon all property subject to taxation by the District sufficient to pay the principal of and interest on the Bonds, which taxes shall be in excess of and in addition to all other taxes now or hereafter authorized to be levied by the District, all as more fully described in the Preliminary Official Statement posted on AICaution.

INTEREST RATES

Bidders shall specify rates of interest on the basis of a 360-day year consisting of twelve (12) thirty (30) day months, expressed in multiples of 1/8 or 1/20 of 1% per annum, with the same single interest rate for any one maturity. The use of split or supplemental interest coupons will not be considered and a zero rate or blank rate will not be permitted. All Bonds maturing on the same date shall bear the same rate of interest. No maturity with a stated interest rate in excess of 5% will be accepted.

CERTIFICATION AS TO ISSUE PRICE

The successful bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the District and Bond Counsel. All actions to be taken by the District under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District’s Municipal Advisor identified herein and any notice or report to be provided to the District may be provided to the District’s Municipal Advisor.

Section 1. Competitive Sale Requirements

The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “**competitive sale requirements**”) because:

- (1) the District shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest true interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

Section 2. 10% Test; Hold-The-Offering-Price Rule

In the event that the competitive sale requirements are not satisfied, the District will promptly so advise the successful bidder. The District may determine to treat (i) the price at which the first 10% of a maturity of the Bonds (the “**10% Test**”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “**hold-the-offering-price rule**”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall promptly advise the District if any maturity of the Bonds satisfies the 10% Test as of the date and time of the award of the Bonds. The District shall then promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.**

By submitting a bid, the successful bidder shall (a) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in the bid submitted by the successful bidder and (b) if the competitive sale requirements are not satisfied, agree, on behalf of the underwriters, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following (the “**HTP End Date**”):

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

If the competitive sale requirements are not satisfied, then until the last HTP End Date for the Bonds, or such later date as may be reasonably requested by the District, the successful bidder agrees to promptly report to the District, upon request, the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the last HTP End Date for the Bonds, or such later date as may be reasonably requested by the District.

Section 3. Bidder Representations

By submitting a bid, each bidder confirms that: (a) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (i) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that

maturity have been sold to the public and (ii) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder and as set forth in the related pricing wires, (b) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (i) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder or such underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the and (ii) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires and (c) it has an established industry reputation for underwriting municipal bonds such as the Bonds.

Section 4. Definitions

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (a) **“public”** means any person other than an underwriter or a related party,
- (b) **“underwriter”** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (c) a purchaser of any of the Bonds is a **“related party”** to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) **“sale date”** means the date that the Bonds are awarded by the District to the successful bidder.

GOOD FAITH DEPOSIT

The successful bidder will be required to wire \$780,400 to the District as bid security (the “Deposit”) by 2:00 p.m., Eastern Time, on Thursday, June 22, 2017. The District will contact the successful bidder to provide wire instructions for the bid security. The Deposit will be retained by the District and: (a) will be applied, without allowance for interest, against the purchase price when the Bonds are actually delivered to and paid for by such successful bidder; or

(b) will be retained by the District as liquidated damages if the bidder defaults with respect to the bid; or (c) will be returned to the bidder with interest at the rate of 0.1% per annum if the Bonds are not issued by the District for any reason which does not constitute a default by the bidder. The balance of the purchase price shall be paid in Federal Funds.

REGISTRATION AND ADMISSION TO BID

To bid, bidders must first visit the AICaution website to register, if necessary, and request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD-registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid. The District will determine whether any request for admission is granted. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555, extension 370 (auction support) for their ID Number or password.

BIDDING PROCEDURES

All bids must be submitted on the AICaution at www.aicauction.com. No telephone, facsimile, telegraph or personal delivery bids will be accepted. Bidders may change and submit bids as many times as they like during the auction; provided, however, each submitted bid, other than a bidder's initial bid, must result in a lower true interest cost ("**TIC**"), when compared to the immediately preceding bid of such bidder. The last bid submitted by a bidder before the end of the auction will be compared to all other final bids submitted by others to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid, but each bidder will see their rank order (i.e., leader, cover, third, etc.). During the bidding, bidders will be able to see whether any bid has been submitted for the Bonds.

Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the AICaution Observation Page immediately after the auction.

RULES OF AICAUTION

The Rules of AICaution can be viewed on AICaution and are incorporated herein by reference. If the Rules of AICaution conflict with this Official Notice of Sale, this Official Notice of Sale shall govern. In addition to the requirements of this Official Notice of Sale, bidders must comply with the Rules of AICaution set forth below:

(a) A bidder submitting a winning bid is irrevocably obligated to purchase the Bonds at the rates and prices of the winning bid, if acceptable to the District. The Bonds are not officially awarded to the winning bidder until its bid is formally accepted by the District. The District anticipates awarding the Bonds within an hour after the close of bidding.

(b) Neither Ameritas Investment Corp. ("**AIC**") nor MuniAuction (the "**Auction Administrator**") is responsible for technical difficulties that result in loss of a bidder's internet connection with AICaution, a delay in the transmission of a bid, or any other technical problems.

(c) If for any reason a bidder is disconnected from the Auction Page during the auction after having submitted a winning bid, such bid is valid and binding upon the bidder unless the District exercises its right to reject bids as set forth herein.

(d) Bids generating error messages are not accepted until the error is corrected and the bid is received prior to the deadline.

(e) Bidders accept and agree to abide by all terms and conditions specified in this Official Notice of Sale including any amendment hereto (the “**Amendments**”).

(f) Neither AIC nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in this Official Notice of Sale, the Amendments, or the Preliminary Official Statement as each appears on AICauction.

(g) Only bidders who request and receive admission to an auction may submit bids. AIC and the Auction Administrator reserve the right to deny access to AICauction to any bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.

(h) Neither AIC nor the Auction Administrator is responsible for protecting the confidentiality of a bidder’s AICauction password.

(i) If a new leading bid is submitted with two minutes or less remaining for the auction, the auction will be automatically extended by two minutes from the time such new leading bid was received by AICauction. The auction end time will be extended indefinitely until a single leading bid remains the leading bid for at least two minutes.

(j) If two bids submitted in the same auction by the same or different bidders result in the same TIC, the first bid received by AICauction prevails. Any change to a submitted bid constitutes a new bid regardless of whether there is a corresponding change in the TIC or yield to maturity.

(k) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding period ends, and any disagreement with the final results shown on the Observation Page must be reported to AICauction within 15 minutes after the bidding period ends. Regardless of the final results reported by AICauction, Bonds are definitively awarded to winning bidders only upon official award by the District. If, for any reason, the District fails to (1) award the Bonds to the winner reported by AICauction or (2) deliver Bonds to winning bidder(s) at settlement, none of AIC, the Auction Administrator, or the District will be liable for damages.

TERMS OF BID AND BASIS OF AWARD

Proposals must be unconditional for the purchase of all of the Bonds. The aggregate purchase price (inclusive of (a) net original issue discount or premium and (b) underwriter’s discount) may not be less than 98% of the principal amount of the Bonds, and the underwriting discount shall not exceed 0.7%. No bid offering to purchase the Bonds with a TIC on the Bonds exceeding 4.25% per annum, as calculated on the basis of a 360-day year consisting of twelve 30-day

months, will be considered. See “VERIFICATION; RIGHT OF REJECTION” for additional provisions regarding the District’s right to reject bids.

The Bonds will be conditionally awarded to the bidder offering to purchase all of the Bonds at the lowest TIC, subject to the timely receipt of the good faith deposit set forth above. It is anticipated that such conditional award will be made by the District within one hour after the auction. The TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds, as of the Dated Date, produces an amount equal to the aggregate price bid, including adjustments for premium or discount, if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. For purposes hereof, sinking fund installments for any Term Bond shall be considered as serial maturities. The TIC must be calculated to six (6) decimal places. Bidders are requested to supply an estimate of the TIC for the Bonds on the Official Bid Form or the AICaution website, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the bidder or the District. The District will compute TIC for each bid, based on the bid price and the interest rates specified, and the District's computation will be conclusive. If there is any discrepancy between the TIC specified by a bidder and the actual TIC computed by the District, the TIC computed by the District will govern, and the bidder will be bound by its specified bid price and interest rates. If two or more proper bids produce equal values for the lowest TIC, the Superintendent or Associate Superintendent for Business Affairs of the District will determine in his or her discretion which bid, if any, will be accepted, and such determination will be final.

THE DISTRICT RESERVES THE RIGHT TO REJECT ALL BIDS OR ANY BID NOT CONFORMING TO THIS OFFICIAL NOTICE OF SALE OR NOT SUBMITTED IN THE FORM OF THE OFFICIAL BID FORM. THE DISTRICT ALSO RESERVES THE RIGHT TO WAIVE, IF PERMITTED BY LAW, ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL. THE DISTRICT SHALL NOT REJECT ANY CONFORMING BID, UNLESS ALL CONFORMING BIDS ARE REJECTED.

VERIFICATION; RIGHT OF REJECTION

Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the AICaution Observation Page immediately after the auction.

The District reserves the right to reject any and all bids, to waive any irregularity or informality in any bid, to take any action adjourning or postponing the sale of the Bonds or to take any other action the District may deem to be in its best interest. Without limiting the generality of the foregoing, **the District must expect to achieve net present value savings resulting from refunding the Refunded Bonds of not less than 4.0% of the Refunded Bonds in order to award any bid.**

OPTIONAL BOND INSURANCE

The District has **not** applied for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance, and any bidder desires to purchase such policy, such indication and the name of the desired insurer must be set forth on the bidder’s Official Bid Form. The District specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the District. All costs associated with the issuance of such policy and associated ratings and expenses (other than the independent rating requested by the District) shall be paid by the

successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

STANDARD FILINGS AND CHARGES

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, those who are members of the Bond Market Association (“**BMA**”) will be required to pay BMA’s standard charge per bond.

CUSIP NUMBERS AND DTC ELIGIBILITY

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bonds nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with their agreement to purchase the Bonds. **All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the District; provided, however, that it shall be the responsibility of the successful bidder to timely obtain and pay for the assignment of such CUSIP numbers.**

It is anticipated that the Bonds will be issued in book-entry only form and eligible for custodial deposit with DTC; however, it will be the responsibility of the successful bidder to obtain such eligibility. Failure of the successful bidder to obtain DTC eligibility shall not constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with its agreement to purchase the Bonds.

DELIVERY OF BONDS

The District will pay the cost of preparing the Bonds. Delivery of and payment for the Bonds will be made on or about July 6, 2017 (the “**Date of Delivery**”) in New York, New York, or such other time and place mutually acceptable to the successful bidder and the District. Payment of the full purchase price, less the Deposit, shall be made to the District at the closing, in Federal Reserve Funds of the United States of America, without cost to the District.

The legal opinion of Gilmore & Bell, P.C., Omaha, Nebraska (“**Bond Counsel**”) will be furnished without charge to the successful bidder at the time of delivery of the Bonds. The form of such opinion is attached as **Appendix E** to the Preliminary Official Statement.

The successful bidder will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under the securities or “Blue Sky” laws of the several states and the preparation of any surveys or memoranda in connection with such sale.

CLOSING REPRESENTATIONS

There will be furnished at the time of delivery of the Bonds, a certificate or certificates of the District (which may be included in a consolidated closing certificate) relating to the accuracy and completeness of the Official Statement; and stating, among other things, that there is no litigation or administrative action or proceeding pending or, to the knowledge of the District, threatened, at the time of delivery of the Bonds, (a) to restrain or enjoin or seeking to restrain or enjoin the issuance and delivery of the Bonds or (b) affecting the validity of the Bonds, and that the Preliminary Official

Statement has been deemed by the District to be a “final official statement” for purposes of SEC Rule 15c2-12(b)(3) and (4).

DISCLOSURE; AMENDMENTS TO NOTICE OF SALE; NOTIFICATION OBLIGATIONS OF PURCHASER

This Official Notice of Sale is not intended as a disclosure document and bidders are required to obtain and carefully review the Preliminary Official Statement before submitting a bid.

This Official Notice of Sale may be amended from time to time after its initial publication by publication of amendments thereto not less than 20 hours prior to the time bids are to be received by publication on the “Amendments Page” of AICaution or by Thomson Municipal Market Monitor. Each bidder will be charged with the responsibility of obtaining any such amendments and complying with the terms thereof.

The successful bidder shall verify in writing to the District its bid by executing **Exhibit A** to this Official Notice of Sale and attaching a printed copy of its winning bid as reported on the AICaution Observation Page.

OFFICIAL STATEMENT

The District has deemed the Preliminary Official Statement related to the Bonds to be “final” as of its date for purposes of SEC Rule 15c2-12, except for such omissions permitted by SEC Rule 15c2-12. The District shall furnish at its expense within seven business days after the Bonds have been awarded to the successful bidder, or at least five business days before closing, whichever is earlier, an electronic copy of the final Official Statement, which, in the judgment of the financial advisor with respect to the Bonds will permit the successful bidder to comply with applicable SEC and MSRB rules.

CONTINUING DISCLOSURE

In order to assist bidders in complying with SEC Rule 15c2-12, the District will undertake to provide, or cause to be provided, certain financial information and operating data relating to the District by not later than 180 days after the end of the District’s fiscal year (the “**Annual Report**”), commencing with the District’s fiscal year ending August 31, 2016, and to provide notices of the occurrence of certain enumerated events to the MSRB through the Electronic Municipal Market Access system. The form of the Continuing Disclosure Undertaking of the City is contained in the Preliminary Official Statement. A copy of the undertaking will be made available to the successful bidder by electronic transmission prior to the delivery of the Bonds and will be included in the transcript of proceedings relating to the issuance of the Bonds.

DISCLOSURE INFORMATION

The Preliminary Official Statement is “deemed final” (except for permitted omissions) by the District in accordance with SEC Rule 15c2-12 and is available only on AICAuction at www.aicauction.com. The Official Bid Form is also available only on AICAuction at www.aicauction.com. Questions concerning the Preliminary Official Statement may be addressed to Liz Standish, Associate Superintendent for Business Affairs, Lancaster County School District 0001, 5905 “O” Street, Lincoln, Nebraska 68510, (402) 436-1635 (Istandis@lps.org) or to the financial advisor to the District, Ameritas Investment Corp., 390 N. Cotner Blvd., Lincoln, Nebraska, 68505, (402) 467-6948, Attention: Scott Keene (skeene@ameritas.com), before a bid is submitted. Any questions concerning AICAuction should be directed to MuniAuction, Inc. at (412) 391-5555, extension 370 (auction support).

**LANCASTER COUNTY SCHOOL DISTRICT
0001 (LINCOLN PUBLIC SCHOOLS) IN THE
STATE OF NEBRASKA**

EXHIBIT A

OFFICIAL BID FORM

\$78,040,000*

**LANCASTER COUNTY SCHOOL DISTRICT 0001
(LINCOLN PUBLIC SCHOOLS)
IN THE STATE OF NEBRASKA
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017**

Lancaster County School District 0001
Lincoln Public Schools
5901 "O" Street
Lincoln, Nebraska 68510

June 21, 2017

Ladies and Gentlemen:

On behalf of the undersigned and any underwriting syndicate which we have formed and lead, and in accordance with the terms and conditions of the attached Official Notice of Sale, dated June 12, 2017, which is hereby made a part of this proposal, we offer to purchase all of the \$78,040,000* Lancaster County School District 0001 (Lincoln Public Schools) in the State of Nebraska General Obligation Refunding Bonds, Series 2017 (the "**Bonds**"). We will pay as the purchase price thereof, the aggregate sum of _____

_____ Dollars (\$_____)⁽¹⁾, in immediately available Federal Funds. The Bonds will be dated the date of delivery thereof, and shall bear interest from such date and shall be payable semiannually on January 15 and July 15 of each year, beginning January 15, 2018, until maturity or prior redemption. The Bonds shall mature in the years and be subject to mandatory sinking fund redemption (if a Term Bond is specified by the bidder) in the amounts, and bear interest at the respective interest rates per annum, all as stated in the following schedule:

[The remainder of this page intentionally left blank.]

<u>Year</u>	<u>Principal Amount*⁽¹⁾</u>	<u>Annual Rate of Interest</u>	<u>Price⁽²⁾</u>	<u>Year</u>	<u>Principal Amount*⁽¹⁾</u>	<u>Annual Rate of Interest</u>	<u>Price⁽²⁾</u>
2018	\$1,610,000	%	%	2029	\$3,260,000	%	%
2019	3,640,000			2030	3,430,000		
2020	4,980,000			2031	3,610,000		
2021	2,305,000			2032	3,795,000		
2022	2,270,000			2033	3,995,000		
2023	2,380,000			2034	4,205,000		
2024	2,510,000			2035	4,425,000		
2025	2,640,000			2036	4,660,000		
2026	2,785,000			2037	4,900,000		
2027	2,940,000			2038	5,160,000		
2028	3,100,000			2039	5,440,000		

* Preliminary, subject to change.

(1) Subject to adjustment as provided in the Official Notice of Sale.

(2) Subject to restrictions as provided in the Official Notice of Sale.

Bonds of any maturities may be designated as Term Bonds; provided, however, that no more than two Term Bond maturities may be specified in any bid.

The principal installments for the Bonds indicated above, shall be applied for the mandatory retirement of up to two Term Bonds maturing in the years and amounts and bearing interest as follows:

\$_____ Term Bonds maturing on January 15, 20___ at _____% per annum to yield _____% per annum.

\$_____ Term Bonds maturing on January 15, 20___ at _____% per annum to yield _____% per annum.

Subject to your acceptance of our Official Bid, we agree to make a bona fide public offering of all the Bonds at yields not lower than those set forth in the above maturity schedule. Our calculation, made as provided in the Official Notice of Sale, of the true interest cost to the District is _____%. This estimate is for information purposes only and is not binding on the District or the undersigned.

In accordance with the Official Notice of Sale, \$780,400 will be wired to the District by 2:00 p.m., Eastern Time, on June 22, 2017 (the “**Deposit**”). The Deposit will be applied or returned in accordance with the provisions of the Official Notice of Sale.

It shall be a condition of our obligation as the successful bidder to accept delivery of, and pay for, the Bonds that, contemporaneously with, or before accepting, the Bonds and paying for them, we shall receive the Closing Documents specified in the Official Notice of Sale.

We hereby acknowledge receipt of the Preliminary Official Statement for the Bonds “deemed final” (except for permitted omissions) by the District.

We agree to provide a list of all syndicate members by facsimile transmission upon notification of our successful bid. Receipt of such list shall be a condition precedent to the award of the Bonds.

It is understood and agreed that an award will be made for all or none of the Bonds and that the principal amount of the Bonds and our purchase price as bid may be adjusted as provided in, and subject to, the provisions of the Official Notice of Sale, the terms of which are incorporated herein by reference.

If the foregoing is acceptable to you, please signify by signing and returning a copy of this Official Bid Form to the undersigned bidder whereupon it will become a binding agreement between us.

Respectfully submitted,

Bidder

By: _____

Accepted and agreed to June 21, 2017
LANCASTER COUNTY SCHOOL DISTRICT 0001
(LINCOLN PUBLIC SCHOOLS)
IN THE STATE OF NEBRASKA

By: _____
Associate Superintendent for Business Affairs

(No addition or alteration, except as provided above, is to be made to this Official Bid Form and it must not be detached from the attached Official Notice of Sale.)