

FORM OF  
NOTICE OF UNLIMITED TAX BOND SALE

CITY OF COLUMBUS, OHIO

\$160,435,000

Various Purpose Unlimited Tax Bonds, Series 2004-1

Notice is hereby given that electronic bids will be received via **PARITY**<sup>®</sup> until 11:00 am, Columbus, Ohio time, on July 14, 2004 for the purchase of an issue of City of Columbus, Ohio (the "Municipality"), Various Purpose Unlimited Tax Bonds, Series 2004-1 aggregating \$160,435,000 (the "Bonds"). Bids may be submitted electronically via **PARITY**<sup>®</sup> pursuant to this Notice until 11:00 am, Columbus, Ohio time, on July 14, 2004, but no bid will be received after that time. To the extent any instructions or directions set forth in **PARITY**<sup>®</sup> conflict with this Notice, the terms of this Notice shall control. For further information about **PARITY**<sup>®</sup>, potential bidders may contact **PARITY**<sup>®</sup> at (212) 404-8102.

The Bonds will be dated the date of their delivery, which is expected to be July 27, 2004 and will be payable as to principal, either at stated maturity or by mandatory sinking fund redemption, on July 1 in the following years and principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2006	\$10,140,000
2007	11,410,000
2008	11,190,000
2009	10,385,000
2010	10,380,000
2011	9,905,000
2012	9,910,000
2013	9,910,000
2014	9,905,000
2015	9,900,000
2016	8,105,000
2017	8,105,000
2018	8,105,000
2019	8,100,000
2020	8,100,000
2021	5,955,000
2022	5,950,000
2023	1,660,000
2024	1,660,000
2025	1,660,000

The Bonds will bear interest from their dated date payable on January 1 and July 1 of each year, commencing January 1, 2005. Bonds maturing after July 1, 2014 are subject to redemption on or after July 1, 2014, in whole or in part at any time, in such order as the Municipality may determine, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the

redemption date. The Bonds are not "qualified tax exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. The Bonds are further described in the Preliminary Official Statement of the Municipality dated July 7, 2004.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, the Preliminary Official Statement of the Municipality dated July 7, 2004 may be treated as an Official Statement with respect to the Bonds that is deemed final by the Municipality.

#### Continuing Disclosure

In order to assist bidders in complying with Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission, the Municipality has undertaken, pursuant to the ordinances authorizing the Bonds, to provide annual financial information and notice of certain events. The Municipality's undertaking is described under the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

#### Types of Bids

Bidders must bid for the Bonds at not less than the aggregate par value (\$160,435,000) with interest thereon accrued to the date of delivery, and premium, if any. Bids for less than all of the Bonds will not be considered. Each bid must specify an interest rate to be borne by the Bonds of each maturity, which interest rate must be an integral multiple of 1/8 of 1% or 1/20 of 1% and may not exceed 5%. Interest rates for different maturities need not be the same, but if a bid specifies different interest rates for different maturities, the highest interest rate specified must not exceed the lowest interest rate specified by more than 3%. Bidders may specify that the Bonds shall be issued as serial bonds, term bonds or any combination of serial and term bonds, provided that the combination of stated maturities and mandatory sinking fund redemptions are consistent with the principal payment schedule for such issue as set forth herein and in the Preliminary Official Statement. Bidders shall not be required to submit any bid security.

#### Method of Award

It is contemplated that the Director of Finance or the City Auditor will award the Bonds, by certificate, at or before 1:00 p.m. on Wednesday, July 14, 2004. The Bonds will be awarded to the bidder offering the interest rate and premium resulting in the lowest true interest cost to the Municipality. If two or more bids offer the lowest true interest cost, the Bonds will be awarded to one of said bidders, chosen by lot. The cost of delivery in the State of Ohio will not be considered in determining the best bid.

#### Adjustment of Principal Amounts

The Municipality reserves the right to increase or decrease each principal maturity of the Bonds by up to ten percent (10%) prior to awarding the Bonds to the successful bidder, provided, however, that the aggregate principal amount of the Bonds as so adjusted shall equal \$160,435,000. If such adjustments are made, the purchase price paid by the successful bidder shall be adjusted such that the rate of interest and premium paid by the successful bidder to the Municipality for each maturity at which such adjusted amount shall be sold will be exactly the same as shown on the successful bid.

#### Book Entry

The Bonds will be issued in book entry form only (with no distribution of Bonds to the ultimate purchasers) registered in the name of The Depository Company, New York, New York (DTC), or its nominee and immobilized in DTC's custody.

## Legal Opinion and Transcript

The approving legal opinion of Bricker & Eckler LLP, Bond Counsel for the Bonds, will be furnished by the Municipality without expense to the successful bidder. The complete transcript of proceedings will also be furnished by the Municipality, together with the usual closing papers and a certificate of the Director of Finance, the City Auditor and the City Attorney relating to the Official Statement prepared and furnished by the Municipality in connection with the sale of the Bonds. The Municipality will also furnish up to one hundred copies of the Official Statement to the successful bidder, if so desired, FOB Columbus, Ohio, within seven (7) days after award of the Bonds. All copies in excess of one hundred will be at the expense of the successful bidder. The Official Statement will constitute a final Official Statement for the Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission.

## Place of Delivery, Settlement and Expenses

The Bonds, in manuscript form, will be delivered to DTC, for the account of and against payment by the successful bidder, without charge. If the successful Bidder requests that settlement occur at a place outside of Ohio, the successful bidder shall pay expense of settlement at that place, including travel expenses of City officials and Bond Counsel. The successful bidder shall bear the costs of the CUSIP registration and any fees imposed by DTC. The successful bidder shall be responsible for paying all fees imposed by the Ohio Municipal Advisory Council on the sale.

## Delivery

Payment for the Bonds shall be made on the delivery date in funds immediately available in Columbus, Ohio. It is contemplated that the Bonds will be delivered through DTC on July 27, 2004. The Municipality will give at least five days prior written notice to the successful bidder of the date selected by the Municipality for tendering the Bonds at the place of delivery; provided, however, that nothing herein contained shall prevent the making of a mutually agreeable arrangement for the delivery of the Bonds either at the place fixed for delivery or elsewhere. If such notice has not been given or waived by the successful bidder and the Bonds, transcript, no litigation certificate and approving legal opinion are not available for delivery to the successful bidder at such place of delivery within thirty (30) days after the day fixed for the receipt of bids, and the successful bidder shall not be in default of any of its obligations, it shall have the right thereafter and so long as no such tender by the Municipality shall yet have been made to cancel the contract of purchase, such right to be exercised by delivering to the undersigned, at the address set forth below, written notice of such cancellation.

## Change in Tax Exempt Status

In the event that, prior to their delivery, the interest on the Bonds should by act of Congress or otherwise become included in gross income for purposes of federal income taxation, or Congress should enact any law which provides that the interest on the Bonds shall be so included at a future date, whether directly or indirectly, the successful bidder may refuse to accept delivery of the Bonds.

## Miscellaneous

Copies of the Preliminary Official Statement may be obtained in electronic format at [www.i-dealprospectus.com](http://www.i-dealprospectus.com) or at [www.tm3.com](http://www.tm3.com).

Neither the Municipality nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate or untimely bid submitted through **PARITY**<sup>®</sup> by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunication lines or any other cause arising from delivery through **PARITY**<sup>®</sup>.

The Municipality reserves the right to reject any or all bids.

Dated: July 7, 2004

CITY OF COLUMBUS, OHIO  
Joel S. Taylor  
Director of Finance  
90 West Broad Street  
Columbus, Ohio 43215