

**NOTICE REGARDING BOND INSURER RATING**

**PUBLIC UTILITY DISTRICT NO. 1 OF SNOHOMISH COUNTY, WASHINGTON  
WATER SYSTEM REVENUE AND REFUNDING BONDS, SERIES 2006**

**CUSIP NUMBERS\*:** 833105 DJ5, 833105 DP1, 833105 DV8

The outstanding Public Utility District No. 1 of Snohomish County, Washington Water System Revenue and Refunding Bonds, Series 2006 (the “Bonds”) are insured by National Public Finance Guarantee (“NPMG”). On May 12, 2014, Kroll Bond Rating Agency, Inc. (“Kroll”), assigned an insured financial strength rating of “AA+” to NPMG. Public Utility District No. 1 of Snohomish County, Washington (the “District”) has not requested that Kroll assign an underlying rating to the Bonds, and Kroll has not assigned such a rating.

This notice is provided pursuant to the continuing disclosure undertaking undertaken by the District in connection with the Bonds. The filing of this notice does not constitute or imply any representation (i) that the foregoing event is material to investors, (ii) regarding any other financial, operating or other information about the District or the Bonds, or (iii) that no other circumstances or events have occurred or that no other information exists concerning the District or the Bonds, which may have a bearing on the District’s financial condition, the security for the Bonds, or an investor’s decision to buy, sell, or hold the Bonds.

Dated: August 11, 2015

**PUBLIC UTILITY DISTRICT NO. 1  
OF SNOHOMISH COUNTY, WASHINGTON**

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\* The CUSIP Numbers are provided for convenience of reference only. The District assumes no responsibility for the accuracy of such number.