

**SUPPLEMENTAL NOTICE CONCERNING AUCTION RATE SECURITIES  
DISTRICT OF COLUMBIA**

**Date: April 17, 2008**  
**Securities: Frequency 7 Day (Monday)**  
**CUSIP: 25484JAA8**

The District of Columbia has previously issued its \$50,000,000 aggregate principal amount Multimodal Revenue Bonds (American University Issue), Series 2006, Subseries 2006A dated August 16, 2006 (the "Bonds"), and loaned the proceeds of the Bonds to American University (the "University").

Of even date herewith, the University filed a Report of Material Development as a preliminary statement of the University's intent to bid on the Bonds. The purpose of this Supplemental Notice is to supplement that Report of Material Development.

**SUPPLEMENTAL NOTICE IS HEREBY GIVEN** that:

- (a) Attached hereto as Schedule A is certain information with respect to the auction for the Bonds that occurred on April 14, 2008 (the "Previous Auction").
- (b) Additional notices regarding this matter may be posted by the University.

**AMERICAN UNIVERSITY**

## **SCHEDULE A**

1. The amounts of Bonds for sale in the Previous Auction was \$7,650,000 in aggregate principal amount (Hold Orders were submitted for \$20,375,000).
2. The number of aggregate dollar amount of bids made as "hold at" or as "buy orders" in the Previous Auction was 26 bids with a dollar amount of \$112,525,000.
3. Upon current information, the University understands that the number of bids placed by bidders other than the current Broker Dealers, which are Morgan Stanley & Co. Incorporated ("Morgan Stanley") and Lehman Brothers ("Lehman"), and other than the University was 15 bids totaling \$62,525,000.
4. The number, interest rate(s) and amounts of bids made by Morgan Stanley:
  - i. Number of Bids: 0
  - ii. Interest Rate(s): N/A
  - iii. Amount of Bids: 0
5. The number, interest rate(s) and amounts of bids made by Lehman:
  - i. Number of Bids: 0
  - ii. Interest Rate(s): N/A
  - iii. Amount of Bids: 0
6. The number, interest rate(s) and amounts of bids made by the University:
  - i. Number of Bids: 11
  - ii. Interest Rate(s): 1.80%, 1.90%, 2.00%, 2.10%, 2.20%, 2.30%, 2.40%, 2.50%, 2.60%, 2.70%, 2.80%
  - iii. Amount of Bids: \$50,000,000
7. The clearing rate was 2.000%
8. The high, low and median bids received:
  - i. High: 5.470%
  - ii. Median: 3.470%
  - iii. Low: 1.800%

Also attached to this Schedule A is the Order Summary from Deutsche Bank Trust Company Americas, the Auction Agent for the Previous Auction (held April 14, 2008).

For securities auctioning 4/14/2008

D.C. American University 2006 A CUSIP: 25484JAA8 Code: AMEA Deadline: 13:00 Winning rate: 2.000

**Sell Orders**

Broker		Order type	Shares Ordered	Shares Filled
Lehman Brothers	LEH	Sell	301	301
Morgan Stanley Inc.	MSI	Sell	2	2
Morgan Stanley Inc.	MSI	Sell	2	2
Morgan Stanley Inc.	MSI	Sell	1	1
		<b>Subtotal:</b>	<b>306</b>	<b>306</b>

**Hold Orders**

Broker		Order type	Shares Ordered	Shares Filled
Lehman Brothers	LEH	Hold	105	105
Morgan Stanley Inc.	MSI	Hold	710	710
		<b>Subtotal:</b>	<b>815</b>	<b>815</b>

**Buy and Hold at Rate Orders**

Broker		Order type	Rate	Shares Ordered	Shares Filled
Morgan Stanley Inc.	MSI	Buy	1.800	1,000	1,000
Morgan Stanley Inc.	MSI	Buy	1.900	100	100
Morgan Stanley Inc.	MSI	Buy	2.000	100	85
Morgan Stanley Inc.	MSI	Buy	2.100	100	0
Morgan Stanley Inc.	MSI	Buy	2.200	100	0
Morgan Stanley Inc.	MSI	Buy	2.300	100	0
Morgan Stanley Inc.	MSI	Buy	2.400	100	0
Morgan Stanley Inc.	MSI	Buy	2.500	100	0
Morgan Stanley Inc.	MSI	Buy	2.600	100	0
Morgan Stanley Inc.	MSI	Buy	2.700	100	0
Morgan Stanley Inc.	MSI	Buy	2.800	100	0
Lehman Brothers	LEH	Hold at Rate	3.000	40	0
Lehman Brothers	LEH	Hold at Rate	3.470	20	0
Lehman Brothers	LEH	Buy	3.470	4	0
Morgan Stanley Inc.	MSI	Hold at Rate	3.500	4	0
Lehman Brothers	LEH	Hold at Rate	3.790	80	0
Lehman Brothers	LEH	Hold at Rate	3.990	60	0
Morgan Stanley Inc.	MSI	Buy	4.500	4	0
Lehman Brothers	LEH	Hold at Rate	4.590	80	0
Lehman Brothers	LEH	Hold at Rate	4.990	40	0
Lehman Brothers	LEH	Hold at Rate	5.000	4	0
Lehman Brothers	LEH	Hold at Rate	5.000	34	0
Morgan Stanley Inc.	MSI	Buy	5.000	1,200	0
Morgan Stanley Inc.	MSI	Hold at Rate	5.000	517	0
Morgan Stanley Inc.	MSI	Buy	5.450	14	0
Morgan Stanley Inc.	MSI	Buy	5.470	400	0
		<b>Subtotal:</b>	<b>4,501</b>	<b>1,185</b>	
		<b>Total:</b>	<b>5,316</b>		<b>2,000</b>