

NOTICE OF SALE

COUNTY of MONTGOMERY, NEW YORK

\$970,000 Bond Anticipation Notes, 2010 Federally Taxable Series

Telephone (315-752-0051 **Ext. 1**), telefax (315-752-0057) or written proposals will be received and considered by the undersigned County Treasurer of the County of Montgomery, New York, at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street • Suite 600, Syracuse, New York 13202 until **11:30 A.M., Prevailing Time, on the 7th day of January, 2010** for the purchase in Federal Funds, at not less than par and accrued interest of \$970,000 Bond Anticipation Notes, 2010 Federally Taxable Series (the "Notes") to be dated January 15, 2010 and maturing January 14, 2011, with interest payable at maturity. The Notes are to be issued without option of prior redemption.

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the County Law and the Local Finance Law and a bond resolution dated March 24, 2009 to pay the cost of land acquisition for the Florida Business Park. The proceeds of the Notes will refund prior notes issued for the aforementioned purpose.

Principal of and interest on said Notes are payable at maturity in lawful money of the United States of America (Federal Funds) at such bank or trust company located and authorized to do business in the State of New York, as may be determined by such successful bidder. Paying agent fees, if any, are to be paid by the purchaser. At the option of the purchaser thereof, the Notes will be issued either in bearer form in the form of book-entry only notes registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC") in the denomination of \$5,000 each or multiples thereof, as may be designated by the purchaser and as stated below.

Said Notes will be delivered in New York, New York or at such place as may be agreed with the purchaser on or about January 15, 2010. The purchase price of said Notes, in accordance with each purchaser's bid, shall be paid in Federal Funds or other funds available for immediate credit on said delivery date.

Interest on the Notes will **NOT** be excludable from gross income for federal income tax purposes. Interest on the Notes will be exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

The Notes will **NOT** be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

Each bid must be for all of the Notes and state a single rate of interest therefor in a multiple of one-hundredth (1/100th) or one-eighth (1/8th) of one per centum (1%) per annum. Unless all bids are rejected, the award will be made to the bidder complying with the terms of this Notice of Sale and offering to purchase the Notes at the lowest net interest cost, that being the rate of interest which will produce the least interest cost over the life of the Notes, after accounting for the premium offered, if any. If two or more bids offering to purchase the Notes at the same lowest net interest rate are received, an award will be made by lot from among such lowest bids. The right is reserved by the County to reject all bids.

If the purchaser(s) notifies Bond Counsel by 3:00 P.M., Prevailing Time on the date of sale, such Notes may be issued in the form of book-entry-only notes, in denominations corresponding to the aggregate principal amount for each Note bearing the same rate of interest and CUSIP number. In the event that the Purchaser chooses registered notes, as a condition to delivery of the Notes, the successful bidder will be required to cause such note certificates to be (i) registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and (ii) deposited with DTC to be held in trust until maturity. DTC is an automated depository for securities and clearinghouse for securities transactions, and will be responsible for establishing and maintaining a book-entry system for recording the ownership interests of its participants, which include certain banks, trust companies and securities dealers, and the transfers of the interests among its participants. The DTC participants will be responsible for establishing and maintaining records with respect to the Notes. Individual purchases of beneficial ownership interests in the Notes may only be made through book entries (without certificates issued by the County) made on the books and records of DTC (or a successor depository) and its participants, in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable by the County by wire transfer or in clearinghouse funds to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial

owners. The County will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

CUSIP identification numbers will be printed on the Notes if the purchaser provides Bond Counsel with such numbers by telefax or any other mode of written communication (verbal advice will not be accepted) by 5:00 o'clock P.M. on the day following the date of sale of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the County, provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

As a condition to the purchaser's obligation to accept delivery of and pay for the Notes, such purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for said Notes: (i) a Closing Certificate, constituting a receipt for the Note proceeds and a signature certificate, which will include a statement that no litigation is pending, or to the knowledge of the signers, threatened affecting the Notes, and (ii) the unqualified legal opinion as to the validity of the Notes of Roemer Wallens & Mineaux LLP, Bond Counsel, Albany, New York, dated as of said date of delivery and payment.

Following the sale of the Notes, the successful bidder will be required to provide to the County certain information regarding the re-offering price to the public of the Notes. The successful bidder shall furnish to the County a certificate acceptable to Bond Counsel, dated as of the day of closing for the Notes stating the initial prices at which a bona fide public offering of all of the Notes was made and stating that 10% or more of the Notes were in fact sold to the public (excluding bond houses, brokers and other intermediaries) at or below such initial respective public offering prices. Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

There is no offering document that accompanies this Notice of Sale.

COUNTY of MONTGOMERY

Dated: December 30, 2009

**BY: SHAWN BOWERMAN
County Treasurer and Chief Fiscal Officer**

**Sale Date: January 7, 2010
11:30 A.M., Prevailing Time**

PROPOSAL FOR NOTES

Mr. Shawn Bowerman, Treasurer
County of Montgomery, New York
c/o Fiscal Advisors & Marketing, Inc.
120 Walton Street • Suite 600
Syracuse, New York 13202
Telephone # 315-752-0051 Ext. 1
Telefax # 315-752-0057

\$970,000 Bond Anticipation Notes, 2010 Federally Taxable Series

Date: January 15, 2010

Maturity: January 14, 2011

Dear Mr. Bowerman:

For \$970,000 Bond Anticipation Notes, 2010 Federally Taxable Series of the County as described in the Notice of Sale annexed hereto, we hereby offer to pay par value and a premium of \$_____ and accrued interest from the date of the Notes to the date of delivery thereof, for Notes bearing interest at the rate (expressed in a multiple of one-eighth or one-hundredth of one per centum of _____% per annum.

The following is our computation of the net interest cost, made as provided in the above mentioned Notice of Sale, but not constituting any part of the foregoing proposal for the purchase of the Notes therein described:

Gross Interest	\$ _____
Premium Bid Over Par	\$ _____
Net Interest Cost	\$ _____
Effective Net Interest Rate	_____ % (four decimals)

In the event we are awarded said Notes, we will promptly notify you of the denominations and paying desired or if we choose book-entry-only notes in accordance with the terms of said Notice of Sale.

Print Name of Bidder

Bank/Institution

Telephone () _____

Telefax () _____