

NOTICE OF SALE

CITY OF BINGHAMTON

BROOME COUNTY, NEW YORK
(the "City")

\$31,126,798 Various Purpose Bond Anticipation Notes – 2010
(the "Notes")

Date of Issue: February 4, 2010

Maturity Date: February 4, 2011

SALE DATE:

January 26, 2010

Time: 11:00 o'clock A.M. (Prevailing Time)

PLACE OF SALE:

City of Binghamton
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) or sealed proposals will be received at the place and time on the Sale Date as herein above indicated, for the purchase of all or part of the Notes and accrued interest as herein above described.

The timely delivery of all proposals submitted by facsimile transmission (FAX) must be in legible and completed form, signed by an authorized representative of the bidder(s), and shall be the sole responsibility of the bidder(s). The City shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

Said Notes are general obligations of the City and the faith and credit of such City are pledged for payment of the principal of and interest on such Notes. All the taxable real property in said City will be subject to the levy of ad valorem taxes, without limitation as to rate or amount, sufficient to pay the principal of and interest on such Notes. The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

Each purchaser shall have the option of having the Notes issued in bearer form or as registered notes. If the Notes are issued in registered form, the Notes will be registered to the purchaser or registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), as book-entry notes.

The Notes will not be subject to prior redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

For those Notes issued in registered form, the City will act as Paying Agent for the Notes. For those Notes issued in bearer form, the purchaser(s) will act as Paying Agent for the Notes. Paying agent fees, if any, are to be paid by the Purchaser(s). The City contact information is as follows: Mr. John T. Cox, City Comptroller, City of Binghamton, City Hall, 38 Hawley Street, Binghamton, New York 13901, telephone 607.772.7011, fax 607.772.7106, email address - jtcox@cityofbinghamton.com.

For those Notes issued as book-entry notes registered to Cede & Co., a single note certificate will be issue for each Note bearing the same rate of interest and CUSIP number. DTC will act as the securities depository for the Notes and Noteholders will not receive certificates representing their ownership interest in the Notes. Individual purchases of such registered Notes may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination. Payment of the principal of and interest on the Notes will be paid in lawful money of the United States of America (Federal Funds) by the City to DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. CUSIP identification numbers will be printed on the Notes if Bond

Counsel is provided with such numbers by the close of business on the Sale Date 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 and pay for the Notes in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the City; 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(s).

For those Notes issued in bearer form or registered to the purchaser(s), a single note certificate will be issued for each Note bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Payment of the principal of and interest on the Note will be paid in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder(s).

The purchaser(s) must notify Bond Counsel by 2:00 o'clock P.M., Prevailing Time on the date of sale, as to the form of the Note. In the event that the Purchaser(s) chooses book-entry notes, as a condition to delivery of the Notes, the successful bidder(s) 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"), (ii) establish eligibility with DTC, and (iii) 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 City) made on the books and records of DTC (or a successor depository) and its participants, in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination. Principal of and interest on the Notes will be payable by the City or its agent 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 City 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.

Bids may be for all or any portion of the Notes, and must state in a multiple of one-hundredth or one-eighth of 1% a rate or rates of interest per annum which such Notes shall bear. The Notes will be awarded and sold to the bidder(s) complying with the terms of sale and offering to purchase the Notes at the lowest net interest cost, and if two or more such bidder(s) offer the same lowest net interest cost, then award will be made to the bidder(s) offering to purchase the greater principal amount of Notes, and if tied, then to the one of said bidders selected by the City by lot.

Following the sale of the Notes, the aggregate par amount of Notes may be decreased in an amount not in excess of the premium offered by the successful bidder to the extent necessary in order that the total proceeds, which include the total par amount of the Notes plus the original issue premium, if any, received by the City do not exceed the maximum amount permitted under applicable provisions of the Internal Revenue Code of 1986, as amended. In such event, the premium shall also be adjusted to the extent necessary to achieve the same net interest cost which served as the basis for the award to the purchaser(s). If the Notes are awarded to more than one purchaser, any decrease in the par amount of the Notes shall be made on a pro-rata basis among said purchasers and the premium shall also be adjusted to the extent necessary to achieve the same net interest cost.

The right is reserved by the City to award to any bidder(s) all or any part of the Notes which such bidder(s) offers to purchase and, in the event of a partial award, the premium, if any, specified by such bidder(s) will be pro-rated. The right is also reserved to reject any or all bids and any bid not complying with the terms of this Notice of Sale will be rejected.

Award of the Notes is expected to be made promptly after opening of the bids, but the successful bidder(s) may not withdraw proposals until two hours after the time set forth above on the day of such bid opening and then only if such award has not been made prior to the withdrawal. The Notes will be delivered and shall be paid for on or about the Date of Issue at such place and on such business day and at such hour, as the City and successful bidder(s) shall mutually agree.

Each successful bidder(s) will be furnished without cost with the approving opinion of the law firm of Hawkins Delafield & Wood LLP to the effect that the Notes are valid and legally binding general obligations of the City for which the City has

validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the City is subject to the levy of ad valorem real estate taxes to pay the Notes and interest thereon without limitation of rate or amount. Said opinion shall also contain further statements to the effect that (a) the enforceability of rights or remedies with respect to such Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted, and (b) said law firm has not been requested to examine or review and has not examined or reviewed the accuracy or sufficiency of the Official Statement of the City, or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the City which have been or may be furnished or disclosed to purchasers of the Notes, and expresses no opinion with respect to such financial or other information, or the accuracy or sufficiency thereof.

Any successful bidder(s) may at his option refuse to accept the Notes if prior to their delivery the Arbitrage and Use of Proceeds Certificate referred to below in form and tenor satisfactory to Bond Counsel is not delivered or, if any income tax law of the United States of America is hereinafter enacted which shall provide that the interest thereon is taxable, or shall be taxable at a future date for federal income tax purposes, and in any such case such successful bidder will be relieved from his contractual obligation arising from the acceptance of his proposal.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excludable from gross income under Section 103 of the Code. As part of the City's contractual obligation arising from its acceptance of the successful bidder's(s) proposal, the City will furnish the successful bidder(s) concurrently with the delivery of the Notes with its Arbitrage and Use of Proceeds Certificate (the "Certificate"), which will contain provisions and procedures relating to compliance with the requirements of the Code and a certification to the effect that the City will comply with the provisions and procedures set forth therein, and that it will do and perform all acts and things necessary or desirable to assure that interest paid on the Notes is excludable from gross income under Section 103 of the Code.

Under the Code, interest on the Notes is to be taken into account in the computation of certain taxes that may be imposed with respect to corporations, including without limitation, the alternative minimum tax and the foreign branch profits tax. In addition under the Code, an individual who owns the Notes may be required to include in gross income a portion of his or her Social Security or railroad retirement payments and interest on the Notes will be included as disqualified income when computing the earned income credit. Noteholders should consult their tax advisors with respect to the computation of alternative minimum tax or foreign branch profits tax liability, the earned income credit, or the inclusion of Social Security or other retirement payments in gross income.

The opinion of Bond Counsel shall also contain further statements to the effect that, under existing statutes and court decisions and assuming continuing compliance with the Arbitrage and Use of Proceeds Certificate, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code; and, is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax. In rendering its opinion, Bond Counsel shall rely on certain representations, certifications of fact, and statements of reasonable expectations made by the City in connection with the Notes, and shall assume compliance by the City with certain ongoing certifications in the Arbitrage and Use of Proceeds Certificate to comply with applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Further, such opinion shall state that, under existing statutes, interest on the Notes is exempt from New York State and New York City personal income taxes.

The Notes will **not** be designated by the City as "qualified tax-exempt obligations" pursuant to the provisions of Section 265 of the Code.

Each successful bidder also must submit to the City a certificate (the "Reoffering Price Certificate"), satisfactory to Bond Counsel, prior to the delivery of the Notes, which states that:

(a)(i) on the date of award, such successful bidder(s) made a *bona fide* public offering of the Notes purchased by such successful bidder at initial offering price corresponding to the price or yield indicated in the information furnished in connection with the successful bid, and (ii) as of such date, the first price or yield at which an amount equal to at least ten percent of Notes purchased by such successful bidder(s) was sold to the public was, respectively, a price not higher or

a yield not lower than indicated in the information furnished with the successful bid (the "first price rule"), unless such certificate contains an explanation as to the reasons why the first price rule was not satisfied, OR

(b) such successful bidder(s) has purchased the Notes for its own account and not with a view to distribution or resale and not in the capacity of a bond house, broker or other intermediary, and the price or prices at which such purchase was made.

For the purposes of the Reoffering Price Certificate, the "public" does not include bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers. In making such representations, the successful bidder must reflect the effect on the offering prices of any "derivative products" (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Notes.

The City will provide a reasonable number of Official Statements to the successful bidder(s) within five (5) business days following receipt of a written request therefor made to the City and its financial advisor. Such request may specify the applicable (a) offering price(s), (b) selling compensation, (c) rating(s), (d) credit enhancement and (e) identity and complete name of such bidder(s) and any participating underwriters, and if so, the Official Statement will be modified or supplemented by the information so specified. Neither the City nor its financial advisor shall be liable in any manner for any delay, inaccuracy, or omission on the part of the successful bidder(s) with respect to such request, nor shall the City's failure, as a result thereof, to provide the Official Statement (whether or not modified or supplemented) within the above time period, constitute cause for a failure to refusal by such bidder(s) to accept delivery of and pay for the Notes in accordance with the terms hereof.

The Official Statement is in a form "deemed final" by the City for purposes of the Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"). In order to assist bidders in complying with Rule 15c2-12 and as part of the City's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the Notes the City will provide an executed copy of its "Undertaking to Provide Notices of Material Events." Said undertaking will constitute a written agreement or contract of the City for the benefit of holders of and owners of beneficial interests in the Notes, to provide to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, notice of the occurrence of certain material events, as enumerated in said Rule 15c2-12.

The obligations hereunder to deliver or accept the Notes pursuant hereto shall be conditioned on the availability to each successful bidder at the time of delivery of the Notes of said approving opinion; of certificates in form and tenor satisfactory to said law firm evidencing the proper execution and delivery of the Notes and receipt of payment therefor and including a statement, dated as of the date of delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened relating to the Notes; and of the several certificates as described in the Official Statement under the heading "Documents Accompanying Delivery of the Notes."

Copies of the Notice of Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (315) 752-0051.

Dated: January 14, 2010

/S/ JOHN T. COX
City Comptroller and
Chief Fiscal Officer

PROPOSAL FOR NOTES

Mr. John T. Cox, City Comptroller
 City of Binghamton
 Broome County, 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

Date of Sale: January 26, 2010
Time of Sale: 11:00 o'clock A.M., Prevailing Time

\$31,126,798 Various Purpose Bond Anticipation Notes – 2010

Date: February 4, 2010

Maturity: February 4, 2011

Dear Mr. Cox:

For \$ _____ of the Notes of the City as described in the Notice of Sale annexed hereto, we hereby offer to pay (\$ _____) 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.

For \$ _____ of the Notes of the City as described in the Notice of Sale annexed hereto, we hereby offer to pay (\$ _____) 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 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.

For \$ _____ Bid at _____ %	For \$ _____ Bid at _____ %
Gross Interest \$ _____	Gross Interest \$ _____
Premium Bid Over Par \$ _____	Premium Bid Over Par \$ _____
Net Interest Cost \$ _____	Net Interest Cost \$ _____
Effective Net Interest Rate _____ %	Effective Net Interest Rate _____ %

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

Form of Note:

Book-entry _____ Bearer _____ Registered to Purchaser _____	_____ Print Name of Bidder _____ Bank/Institution Telephone () _____ Telecopier () _____
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