

NOTICE OF SALE

**COUNTY OF CAYUGA, NEW YORK**

**\$10,000,000 Bond Anticipation Notes, 2012 (Renewals)**

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 Cayuga, New York, at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street • Suite 600, Syracuse, New York 13202 until **11:00 o'clock A.M.**, Prevailing Time, on the **1<sup>st</sup> day of February, 2012** for the purchase in Federal Funds, at not less than par and accrued interest of \$10,000,000 Bond Anticipation Notes, 2012 (Renewals) (the "Notes") to be dated February 9, 2012 and maturing February 8, 2013, with interest payable at maturity. **The Notes are to be issued without option of prior redemption.**

Principal and interest on the Notes are payable at maturity in lawful money of the United States of America (Federal Funds). The Notes will be issued in registered form in the denomination of \$5,000 each or multiples thereof, as may be designated by the purchaser(s).

The Notes shall be issued in the form of book-entry-only notes registered in the name of Cede & Co., as nominee for The Depository Trust Company (DTC).

The Notes will be valid and legally binding general obligations of the County, all the taxable real property within which will be subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. The County will pledge its faith and credit for the payment of the principal of the Notes and interest thereon.

**Each bid may be for all or any part of said Notes** and state a single rate of interest therefor in a multiple of 1/100 or 1/8 of one per centum per annum. Interest will be calculated on the basis of a 360-day year and a 30-day month. Any bidder may submit two separate bids at different rates of interest. Each bid must be for not less than the par value of the Notes bid for. All or none bids will be rejected.

Said Notes will be awarded to the bidder or bidders offering 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. In the event bids offering the same lowest net interest cost are received, an award will be made to the bidder(s) offering to purchase the greater principal amount of Notes. If two or more bids offering to purchase the same principal amount of 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 said County to award to any bidder(s) all or any part of the Notes which such bidder(s) offers to purchase and, in such event, the premium, if any, specified by such bidder(s) will be pro-rated. In any event, the award of said Notes will be made on the basis of the bid or combination of bids offering to purchase the Notes on terms most favorable to said County. The right is reserved by said County to reject any and all bids and any bid not complying with this Notice of Sale will be rejected.

The Notes will be delivered in New York City or as may be agreed with the purchaser(s) on or about February 9, 2012. The purchase price of the Notes, in accordance with each purchaser's bid, shall be paid in Federal Funds or other funds available for immediate credit on the delivery date.

The purchaser(s) shall have the option of having the Notes issued in the form of book-entry-only notes registered in the name of Cede & Co., as nominee for the DTC.

CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers by the close of business on 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(s) 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(s).

As a condition to each purchaser's obligation to accept delivery of and pay for the Notes, such purchaser(s) will be furnished, without cost, the following, dated as of the date of the delivery of and payment for said Notes: (i) a certificate of the County's Treasurer certifying that (a) as of the date of the Official Statement furnished by the County in relation to said Notes which Official Statement is deemed by the County to be final for purposes of Securities and Exchange Commission Rule 15c2-12, except for the omission therefrom of those items allowable under said Rule, said Official Statement did not contain any untrue statements of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the County is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of said Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the County and no material adverse changes in the general affairs of the County or in its financial condition as shown in said Official Statement other than as disclosed in or contemplated by said Official Statement, (ii) 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 (iii) the unqualified legal opinion as to the validity of the Notes of **Trespasz & Marquardt, LLP, Bond Counsel to the County, Syracuse, New York**. Reference should be made to said Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Notes and matters covered by such legal opinion. Furthermore, reference should be made to the information under the headings "LEGAL MATTERS" and "TAX MATTERS" in the Official Statement.

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

The successful bidder(s) will be required to provide to the County within five (5) days after the award of the Notes certain information regarding the re-offering price to the public of the Notes. The successful bidder(s) shall furnish to the County a certificate acceptable to Bond Counsel, dated as of the day of closing of 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(s) after appropriate investigation.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the County, to provide to the County, in writing, within two business days after the date of such award, all information which said successful bidder(s) determines is necessary for it to comply with SEC Rule 15c2-12, including all necessary pricing and sale information, information with respect to the purchase of municipal bond insurance, if any, and underwriter identification. Within five business days following receipt by the County thereof, the County will furnish to the successful bidder(s), in reasonable quantities as requested by the successful bidder(s), copies of said Official Statement, updated as necessary, and supplemented to include said information. Failure by the successful bidder(s) to provide such information will prevent the County from furnishing such Official Statement as described above. The County shall not be responsible or liable in any manner for the successful bidder's determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder(s) or for failure to furnish such Official Statements as described above which results from a failure by the successful bidder(s) to provide the aforementioned information within the time specified. Acceptance by the successful bidder(s) of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligations of the County with respect to the preparation and delivery thereof.

*UNLESS AN EXEMPTION APPLIES PURSUANT TO PARAGRAPH (D)(1) OR (D)(2) OF THE AMENDMENTS TO RULE 15c2-12 of THE U.S. SECURITIES AND EXCHANGE COMMISSION, THE COUNTIES WILL COMPLY WITH SAID AMENDMENTS BY PROVIDING CURRENT FINANCIAL INFORMATION AND NOTICES OR ANY MATERIAL EVENTS TO A NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORY.*

**Dated: January 20, 2012**

**BY: JAMES H. ORMAN  
County Treasurer  
and Chief Fiscal Officer**

**PROPOSAL FOR NOTES**

Mr. James H. Orman  
 County Treasurer  
 County of Cayuga, 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

**SALE DATE: February 1, 2012**  
**TIME: 11:00 o'clock A.M., Prevailing Time**

**\$10,000,000 Bond Anticipation Notes, 2012 (Renewals)**

**Date: February 9, 2012**

**Maturity: February 8, 2013**

Dear Sir:

(1) For \$\_\_\_\_\_ principal amount of the Notes of the County as described in the Official Notice of Sale annexed hereto, we hereby offer to pay \$\_\_\_\_\_ Dollars (\$\_\_\_\_\_ ) 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 centum (.....%) per annum.

(2) For \$\_\_\_\_\_ principal amount of the Notes of the County as described in the Official Notice of Sale annexed hereto, we hereby offer to pay \$\_\_\_\_\_ Dollars (\$\_\_\_\_\_ ) 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 centum (.....%) per annum.

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

(1) For \$_____ Notes at _____%	(2) For \$_____ Notes at _____%
Gross Interest \$_____	Gross Interest \$_____
Less Premium Bid Over Par \$_____	Less Premium Bid Over Par \$_____
Net Interest Cost (NIC) \$_____	Net Interest Cost (NIC) \$_____
Effective NIC Rate _____% (four decimals)	Effective NIC Rate _____% (four decimals)

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

\_\_\_\_\_  
 \_\_\_\_\_  
 Telephone (    ) \_\_\_\_\_  
 Telefax (    ) \_\_\_\_\_  
 Email Address \_\_\_\_\_