

NOTICE OF SALE

VILLAGE OF SARANAC LAKE

FRANKLIN AND ESSEX COUNTIES, NEW YORK

\$995,000 Bond Anticipation Notes, 2010 (New Issue)

Telephone (315-752-0051 **Ext. 1**), telefax (315-752-0057) or written proposals will be received and considered by the undersigned Village Treasurer of the Village of Saranac Lake, Franklin and Essex Counties, New York, (the "Village") 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 10th day of March, 2010** for the purchase in Federal Funds, at not less than par and accrued interest of the Village's \$995,000 Bond Anticipation Notes, 2010 (New Issue) (the "Notes") to be dated March 17, 2010 and maturing March 17, 2011, with interest payable at maturity. **The Notes shall be subject to redemption prior to maturity at the option of the Village, without penalty or premium, in whole or in part, on any date occurring on or after September 1, 2010 upon five (5) days notice.**

The Notes will be valid and legally binding general obligations of the Village, all the taxable real property within which will be subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. As required by the New York State Constitution, the Village will pledge its faith and credit for the payment of the principal of the Notes and interest thereon. Principal and interest on the Notes are payable at maturity or prior redemption in lawful money of the United States of America (Federal Funds). The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including the Village Law and the Local Finance Law, and pursuant to a bond resolution adopted by the Village Board of Trustees on October 26, 2009 to finance certain improvements to the Village's water system. The proceeds of the Notes will provide new monies for the above mentioned purpose.

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 Village to reject all bids.

The Notes will be designated by the Village as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

If the purchaser requests the Note to be issued in registered form, the Village will act as Paying Agent for the Notes. If the purchaser requests the Note to be issued in bearer form, the purchaser will act as Paying Agent for the Notes. The Village's contact information is as follows: Paul J. Ellis, Village Treasurer, Village of Saranac Lake, 3 Main Street, Suite 1, Saranac Lake, New York 12983-1789, Telephone 518.891.4329, Ext. 231, Telefax 518.891.3159, Email - treasurer@saranacklakeny.gov.

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 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 Village to award to any bidder all or any part of the Notes which such bidder offers to purchase and, in such event, the premium, if any, specified by such bidder 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 Village. The right is reserved by said Village 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 on or about March 17, 2010. The purchase price of the Notes, in accordance with the purchaser's bid, shall be paid in Federal Funds or other funds available for immediate credit on the delivery date.

If the Notes are issued as fully-registered notes, 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 3:00 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 Village, 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.

If the purchaser desires registered book-entry notes, it must so notify Bond Counsel by 3:00 o'clock P.M., Prevailing Time, on the date of sale. In such case, the Notes will 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 be made only through book entries 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 Village 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 Village 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.

As a condition to the purchaser's obligation to accept delivery of and pay for the Notes, the 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, (ii) an arbitrage certificate executed on behalf of the Village which will include, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986, as amended (the "Code"), with the owners of the Notes that the Village will, among other things, (A) take all actions on its part necessary to cause interest on the Notes to be excluded from the gross income of the owners thereof for Federal income tax purposes, including without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Notes and investment earnings thereon, making required payments to the Federal Government, if any, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the Notes to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Notes and investment earnings thereon on certain specified purposes and (iii) the unqualified legal opinion as to the validity of the Notes of Harris Beach PLLC, Bond Counsel, Rochester, New York.

Following the sale of the Notes, the successful bidder will be required to provide to the Village certain information regarding the reoffering price to the public of the Notes. The successful bidder shall furnish to the Village 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 Official Statement that accompanies this Notice of Sale.

Dated: February 18, 2010

PAUL J. ELLIS
VILLAGE TREASURER

PROPOSAL FOR NOTES

**SALE DATE: March 10, 2010
11:00 o'clock A.M., Prevailing Time**

Mr. Paul J. Ellis, Village Treasurer
Village of Saranac Lake
Franklin and Essex Counties, 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

\$995,000 Bond Anticipation Notes, 2010 (New Issue)

Date: March 17, 2010

Maturity: March 17, 2011

Subject to redemption on or after September 1, 2010 upon five (5) days notice

Dear Mr. Ellis:

For the \$995,000 Bond Anticipation Notes, 2010 (New Issue) of the Village 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 _____ %
Gross Interest	\$ _____
Premium Bid Over Par	\$ _____
Net Interest Cost	\$ _____
Effective Net Interest Rate	_____ %

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

Print Name of Bidder

Bank/Institution

Telephone () _____

Telefax () _____

Email Address: _____