

NOTICE OF SALE

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES**

for

**THE SOLE SUPERVISORY DISTRICT  
OF CATTARAUGUS, ALLEGANY, ERIE AND WYOMING COUNTIES, NEW YORK**

**\$10,000,000 Revenue Anticipation Notes, 2010**

Telefax (315-752-0057), telephone (315-752-0051 **Ext. 1**) or written proposals will be received and considered by the undersigned President of the Board of Education of the Board of Cooperative Educational Services for The Sole Supervisory District, Cattaraugus, Allegany, Erie and Wyoming Counties, New York ("BOCES") at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street • Suite 600, Syracuse, New York 13202, until **11:00 A.M.**, Prevailing Time, on the **18<sup>th</sup> day of March, 2010** for the purchase in Federal Funds, at not less than par and accrued interest of \$10,000,000 Revenue Anticipation Notes, 2010 (the "Notes") to be dated March 31, 2010 and maturing December 30, 2010, with interest payable at maturity. The Notes are to be issued without option of prior redemption.

Principal of and interest on the Notes are payable at maturity in lawful money of the United States of America (Federal Funds). The purchaser(s) shall have the right to designate a bank(s) or trust company(ies) located and authorized to do business in the State of New York as the place for the payment of the principal of and interest on the Notes. Paying agent fees, if any, are to be paid by the purchaser(s). The Notes will be issued in bearer form in the denomination of \$5,000 each or multiples thereof, as may be designated by the purchaser(s) or as stated below.

The purchaser(s) shall have the option of having the Notes issued in bearer form or in the form of book-entry-only notes registered in the name of Cede & Co., as nominee for the DTC. If the Notes are issued in bearer form, principal of and interest on the Notes will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) authorized to do business in the State of New York as may be selected by the successful bidder(s).

If the purchaser(s) requests the Notes to be issued in registered form, the BOCES will act as Paying Agent for the Notes. The BOCES contact information is as follows: Thomas C. Potter, Controller, 1825 Windfall Road, Olean, New York 14760, phone: (716) 376-8250, telefax: (716) 373-2801, email: tom\_potter@caboces.org.

Each bid must be for at least \$1,000,000 principal amount 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. Interest will be calculated on the basis of 30 days to the month and 360-days to the year. Any bidder(s) may submit one or more 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 and conditional 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 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 BOCES 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 BOCES. The right is reserved by said BOCES 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, New York, or at such place as may be agreed with the purchaser(s) on or about March 31, 2010. The purchase price of the Notes, in accordance with the purchaser's(s) bid, shall be paid in Federal Funds or other funds available for immediate credit on said delivery date.

CUSIP identification numbers will be printed on the Notes if the purchaser(s) 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(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 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).

If the DTC option is chosen, the Notes will be issued in the form of fully registered book-entry only notes, in denominations corresponding to the aggregate principal amount for each Note bearing the same rate of interest and CUSIP number. 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"), 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 BOCES) 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 BOCES 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 BOCES 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(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 the Notes: (i) a certificate of the President of the BOCES certifying that (a) as of the date of the Official Statement furnished by the BOCES in relation to the Notes, said Official Statement did not contain any untrue statement 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 BOCES 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 BOCES and no material adverse changes in the general affairs of the BOCES 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, (iii) an arbitrage certificate executed on behalf of the BOCES 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 BOCES will, among other things, (A) take all actions on its part necessary to cause interest on the Notes not to be includable in 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 (iv) a Certificate of the BOCES, executed by the President of the BOCES, stating that the BOCES has agreed, in accordance with the Rule, to provide or cause to be provided, timely notice of the occurrence of certain material events with respect to the Notes, and (v) the unqualified legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, New York, New York, New York.

**The Notes will be designated "qualified tax-exempt obligations" pursuant to the Code.**

Following the sale of the Notes, the successful bidder(s) will be required to provide to the BOCES within five (5) days after the award of the Notes certain information regarding the reoffering price to the public of the Notes. The successful bidder(s) shall furnish to the BOCES 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.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the BOCES, to provide to the BOCES, 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 BOCES thereof, the BOCES 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 BOCES from furnishing such Official Statement as described above. The BOCES shall not be responsible or liable in any manner for the successful bidder's(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 said BOCES with respect to the preparation and delivery thereof.

In the event of a default in the payment of the principal of and/or interest on the Notes, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the BOCES and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Notes.

The Notes are unsecured general obligations of the BOCES, payable as to both principal and interest from any revenue of monies of said BOCES legally available therefore. The Notes do not constitute a debt or obligation of any Component School District of the BOCES, nor shall the Notes be payable out of any funds other than those of the BOCES. The BOCES has no taxing power.

**Dated: March 10, 2010**

**ROBERT KEENAN**  
**President of the BOCES**

# PROPOSAL FOR NOTES

Mr. Robert Keenan, President of the BOCES  
of Cooperative Educational Services for The Sole Supervisory District  
Board of Cattaraugus, Allegany, Erie and Wyoming 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

**SALE DATE: March 18, 2010  
11:00 A.M., Prevailing Time**

**THE BOARD of COOPERATIVE EDUCATIONAL SERVICES  
for  
THE SOLE SUPERVISORY DISTRICT  
OF CATTARAUGUS, ALLEGANY, ERIE AND WYOMING COUNTIES, NEW YORK  
\$10,000,000 Revenue Anticipation Notes, 2010**

**Date: March 31, 2010**

**Maturity: December 30, 2010**

Dear Sir:

1. For \$ \_\_\_\_\_ principal amount of the Notes of the Board of Cooperative Educational Services for The Sole Supervisory District of Cattaraugus, Allegany, Erie and Wyoming Counties, New York as described in the annexed Notice of Sale which is hereby made a part of this bid, we will pay \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) and a premium of \_\_\_\_\_ Dollars and accrued interest to date of delivery with the Notes to bear interest from their date until their maturity at the rate of \_\_\_\_\_ per centum ( \_\_\_\_\_%) per annum.

2. For \$ \_\_\_\_\_ principal amount of the Notes of the Board of Cooperative Educational Services for The Sole Supervisory District of Cattaraugus, Allegany, Erie and Wyoming Counties, New York as described in the annexed Notice of Sale which is hereby made a part of this bid, we will pay \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) and a premium of \_\_\_\_\_ Dollars and accrued interest to date of delivery with the Notes to bear interest from their date until their maturity at the rate 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:

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

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

\_\_\_\_\_  
Print Name of Bidder

\_\_\_\_\_  
Bank/Institution

Telephone (     ) \_\_\_\_\_

Telecopier (     ) \_\_\_\_\_