

NOTICE OF SALE

**VILLAGE OF ADDISON**

**STEUBEN COUNTY, NEW YORK**

**\$2,695,010.11 Bond Anticipation Notes, 2010 (Renewal)**

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 Addison, Steuben County, 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 6<sup>th</sup> day of May, 2010** for the purchase in Federal Funds, at not less than par and accrued interest of the Village's \$2,695,010.11 Bond Anticipation Notes, 2010 (Renewal) (the "Notes") to be dated May 14, 2010 and maturing June 28, 2010, with interest payable at maturity. **The Notes are to be issued with the option of prior redemption upon five days notice on or after June 15, 2010.**

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 in lawful money of the United States of America (Federal Funds). The Notes are being issued pursuant to a bond resolution adopted by the Board of Trustees of the Village on July 10, 2006, as amended on April 7, 2008, authorizing \$2,932,250 in serial bonds to undertake certain improvements to the Village's Municipal Wastewater Treatment Plant. The proceeds of the Notes, together with \$84,989.89 available funds, will renew the Village's \$2,780,000 bond anticipation notes maturing May 14, 2010 for the above mentioned purpose.

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

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 Depository Trust Company (DTC). If the Notes are issued in bearer form, principal of and interest on the Notes will be payable at such bank or trust company authorized to do business in the State of New York as may be selected by the successful bidder(s). Paying agent fees, if any, are to be paid by the purchaser(s). Notes issued in bearer form will be issued in the denomination of \$100,000 each or multiples thereof, except for a necessary odd denomination, as may be designated by the purchaser(s).

If the purchaser(s) requests the Note to be issued in registered form, the Village will act as Paying Agent for the Notes. If the purchaser(s) requests the Note to be issued in bearer form, the purchaser(s) will act as Paying Agent for the Notes. The Village's contact information is as follows: Ms. Ursula Stone, Village Treasurer, 35 Tuscarora Street, Addison, New York 14801, Telephone: (607) 359-2100, Telefax: (607) 359-2119, Email: vaddison@stny.rr.com.

Each bid may be for 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(s) 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 Village 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 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(s) on or about May 14, 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.

CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers by 5:00 o'clock P.M. on the close of business on the date 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 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(s).

If the Notes qualify for issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder(s), the purchase of any such insurance policy or the issuance of any such commitment therefore shall be at the sole option and expense of such bidder(s) and any increased costs of insurance of the bids resulting by reason of the same, unless otherwise paid, shall be paid by such bidder(s). Any failure of the Note to be so insured or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser(s) of the Note to accept delivery of any pay for said Note in accordance with the terms of the purchase contract.

As a condition to each 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, (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 (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(s) will be required to provide to the Village certain information regarding the reoffering price to the public of the Notes. The successful bidder(s) 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(s) after appropriate investigation.

There is no Official Statement that accompanies this Notice of Sale.

**Dated: April 29, 2010**

**URSULA STONE**  
**VILLAGE CLERK TREASURER**

**PROPOSAL FOR NOTES**  
**VILLAGE OF ADDISON**  
**STEBEN COUNTY, NEW YORK**

**SALE DATE: May 6, 2010**  
**11:00 o'clock A.M., Prevailing Time**

Ms. Ursula Stone, Village Treasurer  
 Village of Addison, Steuben 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

**\$2,695,010.11 Bond Anticipation Notes, 2010 (Renewal)**

**Date: May 14, 2010**

**Maturity: June 28, 2010**

**(The Notes are to be issued with the option of prior redemption upon five days notice on or after June 15, 2010.)**

Dear Ms. Stone:

(1) For \$ \_\_\_\_\_ of the Notes 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.

(2) For \$ \_\_\_\_\_ of the Notes 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.

(1) For \$ _____ Bid at _____ %	(2) 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.

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

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

\_\_\_\_\_  
 Address

Telephone (     ) \_\_\_\_\_

Telefax (     ) \_\_\_\_\_

Email Address \_\_\_\_\_