

NOTICE OF SALE
\$54,880,000 Bond Anticipation Notes, 2010 Series B
BOOK-ENTRY-ONLY

TOWN OF OYSTER BAY

NASSAU COUNTY, NEW YORK

SALE DATE: July 29, 2010 **TIME:** 11:00 A.M. (Prevailing Time)

PLACE OF SALE: **Fiscal Advisors & Marketing, Inc.**
120 Walton Street – Suite 600
Syracuse, N.Y. 13202

DATE OF NOTE: August 17, 2010

MATURITY DATE: August 12, 2011

Telephone (315-752-0051 **Ext. 1**), telefax (315-752-0057) or written proposals will be received and considered by the undersigned Town Supervisor, of the Town of Oyster Bay, Nassau County, New York, 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 **29th day of July 2010** for the purchase in Federal Funds, at not less than par and accrued interest of \$54,880,000 Bond Anticipation Notes, 2010 Series B (the "Notes") to be dated August 17, 2010 and maturing August 12, 2011, with interest payable at maturity. The Notes are to be issued without option of prior redemption.

Said Notes will be issued in book-entry-only form. For Notes bearing the same rate of interest and CUSIP number, a single note will be registered in the name of Cede & Co., as partnership nominee for The Depository Trust Company, New York, New York ("DTC"). The Town Clerk will be the fiscal and paying agent for the Notes while the Notes are in registered form. Principal and interest on said Notes will be paid in lawful money of the United States of America (Federal Funds) by the Town to Cede & Co., as partnership nominee for DTC.

Said Notes will be valid and legally binding general obligations of said Town and said Town will pledge its faith and credit for the payment of the principal of said Notes and the interest thereon.

The amount of each bid must be an integer multiple of \$5,000, and be an amount of at least one million dollars. Each bid shall state a single rate of interest for the Notes in a multiple of 1/100 or 1/8 of one per centum per annum. Interest will be calculated on the basis of a 30-day month and 360 day year. Any bidder may submit two or more separate bids at different rates of interest. All or none bids will be rejected.

The Notes will be awarded and sold to the bidder or bidders complying with the terms 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; provided, however, that if two or more bidders offer to purchase the Notes at the same lowest net interest cost, then such award will be made first to the bidder offering to purchase the larger lot of said notes at said lowest net interest cost and then, if necessary, to one of said bidders as may be selected by lot from among said bidders. The right is reserved by said Town 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, 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 Town. The right is reserved by said Town to reject all bids.

Said Notes will be delivered at no cost to the purchaser(s) through the facilities of DTC on or about August 17, 2010. The purchase price of said Notes, in accordance with each purchaser'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 provides bond counsel with such numbers by telefax or any other mode of written communication (verbal advice will not be accepted) by 3:00 P.M. on the date following the 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 any 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 the Town; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers and shall be the responsibility of and shall be paid for by the purchaser(s).

Simultaneously with or before delivery of the Notes, the successful bidder(s) shall furnish to the Town a certificate in form satisfactory to Bond Counsel containing information sufficient to enable the Town to determine the "issue price" of the Notes as defined for purposes of section 148 of the Code (the "issue price certificate"). Such issue price certificate shall state that: (a)(i) the successful bidder(s) made a bona fide offering of all the Notes of each maturity to the public at initial offering prices corresponding to the prices or yields indicated in the information furnished in connection with the successful bid, and (ii) the first price or yield at which an amount equal to at least ten percent of each maturity of the Notes 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"), with the exception of those maturities, if any, identified in such certificate, as to which such certificate shall explain the reasons why the first price rule was not satisfied; or (b) the 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 purposes of the issue price certificate, the "public" does not include bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers.

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 and payment for the Notes: (i) certificate of the Supervisor certifying that (a) as of the date of the Official Statement furnished by the Town in relation to said Notes, (which Official Statement is deemed by the Town to be final for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule")), except for the omission therefrom of those items allowable under said Rule, said Official Statement did not contain any untrue statement of a 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 Town 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, 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 Town and no material adverse changes in the general affairs of the Town 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 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) tax certificate containing, among other things, covenants with the owners of the Notes that the Town will, (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; (iv) a Certificate of the Town, executed by the Supervisor, stating that the Town 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 Fulbright & Jaworski L.L.P., Bond Counsel, of New York, 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 the matters covered by such legal opinion.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the Town, to provide to the Town, 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 Town thereof the Town will furnish to the successful bidder(s), in reasonable quantities as requested by the successful bidder(s), copies of said Official Statement as supplemented updated as necessary, and supplemented to include said information. Failure by the successful bidder(s) to provide such information will prevent the Town from furnishing such Official Statement as supplemented as described above. The Town 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 Statement as supplemented 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 as supplemented shall be conclusive evidence of the satisfactory completion of the obligations of said Town with respect to the preparation and delivery thereof.

The Notes will not be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

**Dated: Oyster Bay, New York
July 20, 2010**

**JOHN VENDITTO
Supervisor & Chief Fiscal Officer**

