

NOTICE OF SALE

VILLAGE OF ANGELICA

ALLEGANY COUNTY, NEW YORK

\$500,000 Bond Anticipation Notes, 2011

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 Angelica, Allegany County, New York (the "Village") at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street • Suite 600, Syracuse, New York 13202, **until 11:30 A.M., Prevailing Time, on the 1st day of September, 2011** for the purchase in Federal Funds, at not less than par and accrued interest, of \$500,000 Bond Anticipation Notes, 2011 (the "Notes") to be dated September 9, 2011 and maturing September 7, 2012, with interest payable at maturity. **The Notes are to be issued with the option of prior redemption on or after December 9, 2011 upon 20 days prior written notice to the registered owner(s) thereof.**

The Notes will be valid and legally binding general obligations of the Village. Unless paid from other sources, all the taxable real property within the Village will be subject to the levy of *ad valorem* taxes to pay the Notes and the interest thereon, without limitation as to rate or amount (subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York). 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 issued pursuant to the Constitution and statutes of New York State, including among others, the Village Law and the Local Finance Law, and a bond resolution dated February 16, 2009 authorizing the issuance of \$847,000 to pay the costs associated with the reconstruction of and construction of improvements to the Village water system. The proceeds of the Notes will be used to redeem and renew, in full, the outstanding bond anticipation notes maturing September 9, 2011 that were issued for the aforementioned purpose.

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

The purchaser shall have the option of having the Notes, which will be in registered form, issued in the name of the purchaser, or, at the option of the purchaser, in the name of Cede & Co., as nominee for The Depository Trust Company (DTC). The purchaser must notify Bond Counsel by 2:00 o'clock P.M., Prevailing Time, on the date of the sale whether the Notes will be issued in non-book-entry form or book-entry form.

If the Notes are issued in non-book-entry form, they will be issued as registered obligations, in the name of the purchaser. Principal 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 designated by the purchaser. Paying agent fees, if any, are to be paid by the purchaser.

Each bid must be for all of the Notes and must 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. Each bid must be for not less than the par value of the Notes.

The Village contact information is as follows: Ms. Karen Herdman, Village Clerk/Treasurer, 21 Peacock Hill Road, PO Box 158, Angelica, New York 14709; telephone: 585.466.7431, telefax: 585.466.3472, email: vangelica@stny.rr.com.

The Notes will be awarded to the bidder 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 by lot from among such lowest bids. The right is reserved by the Village to reject any and all bids, and any bid not complying in all material respects 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 September 9, 2011. The purchase price of the Notes shall be paid in Federal Funds or other funds available for immediate credit on the delivery date.

If the purchaser notifies Bond Counsel by 4:00 o'clock P.M., Prevailing Time on the date of sale, the Notes may be issued in the form of book-entry-only notes, in denominations corresponding to the aggregate principal amount for each Note bearing the same rate of interest and CUSIP number. In the event that the Purchaser chooses such DTC registered notes, as a condition to delivery of the Notes, the successful bidder will be required to cause such note certificates to be (i) registered in the name of Cede & Co., as nominee of DTC, New York, New York ("DTC"), and (ii) deposited with DTC to be held in trust until maturity (or earlier redemption). 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 Village) 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 or its agent 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 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.

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 such numbers shall be the responsibility of and shall be paid for by the purchaser.

As a condition to the 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 the 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) a nonarbitrage 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 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 (iii) the legal opinion as to the validity of the Notes of Hodgson Russ LLP, Bond Counsel, of Buffalo, 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 offering document which accompanies this Notice of Sale. Please contact Fiscal Advisors & Marketing, Inc., Telephone 315-752-0051 for any financial information needed.

Dated: August 24, 2011

KAREN HERDMAN
Village Treasurer and Chief Fiscal Officer

**PROPOSAL FOR
VILLAGE OF ANGELICA
ALLEGANY COUNTY, NEW YORK**

**SALE DATE: September 1, 2011
11:30 A.M., Prevailing Time**

Ms. Karen Herdman, Village Clerk/Treasurer
Village of Angelica, Allegany 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

\$500,000 Bond Anticipation Notes, 2011

Dated Date and Closing Date: September 9, 2011

Maturity Date: September 7, 2012

The Notes are to be issued with the option of prior redemption on or after December 9, 2011 upon 20 days prior written notice to the registered owner(s) thereof.

Dear Ms. Herdman:

For the \$500,000 principal amount of the Notes of the Village as described in the Notice of Sale annexed hereto, we hereby offer to pay par value and a premium of 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 Notice of Sale, but not constituting any part of the foregoing Proposal for the purchase of the Notes therein described:

For \$500,000 Notes at	_____ %
Gross Interest	\$ _____
Less Premium Bid Over Par	\$ _____
Net Interest Cost (NIC)	\$ _____
Effective NIC Rate	_____ % (four decimals)
DTC/Local	_____

In the event we are awarded all or any portion of such 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 such Notice of Sale.

Print Name of Bidder

Bank/Institution

Telephone () _____

Telefax () _____

Email Address _____