

NOTICE OF SALE

UNADILLA VALLEY CENTRAL SCHOOL DISTRICT CHENANGO, MADISON and OTSEGO COUNTIES, NEW YORK

\$607,074 Bond Anticipation Notes, 2009

Telephone (315-752-0051, Ext. 1), telefax (315-752-0057) or written bids will be received and considered by the undersigned President of the Board of Education of the Unadilla Valley Central School District, Chenango, Madison and Otsego Counties, New York, 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 12th day of November, 2009** for the purchase in Federal Funds, at not less than par and accrued interest of \$607,074 Bond Anticipation Notes, 2009 (the "Notes"), to be dated November 20, 2009, maturing November 19, 2010, with interest payable at maturity. The Notes are to be issued without option of prior redemption.

The purchaser 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") as explained below.

Principal of and interest on the Notes are payable at maturity in lawful money of the United States of America. If issued in bearer form, the Notes will be issued in the denomination of \$5,000 each or integral multiples thereof, except for one necessary odd denomination, as may be designated by the purchaser. The purchaser shall have the right to designate a bank or banks located and authorized to do business in the State of New York as the place or places for the payment of the principal of and interest on the Notes. Paying agent fees, if any, are to be paid by the purchaser.

The Notes will be valid and legally binding general obligations of the School District, all the taxable real property within which will be subject to the levy of ad valorem taxes to pay said Notes and interest thereon, without limitation as to rate or amount. The School District will pledge its faith and credit for the payment of the principal of the Notes and interest thereon.

The proceeds of the Notes, together with a \$201,486 budgeted principal reduction, will refund \$601,612 bond anticipation notes maturing November 20, 2009 and provide \$206,948 new monies for the purchase of school buses.

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 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 the award will be made to one of such bidders selected by lot by the School District. The right is reserved by the School District to reject all bids.

The Notes will be delivered in New York, New York, or at such place as may be agreed with the purchaser on or about November 20, 2009. 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 said delivery date.

If the purchaser so requests of Bond Counsel by 3:00 o'clock P.M., Prevailing Time, on the date of sale, the Notes will be issued in the form of a single book-entry-only note. In the event that the Purchaser chooses such a DTC-registered Note, as a condition to delivery of the Note, the purchaser will be required to cause such Note to be (i) registered in the name of Cede & Co., as nominee of DTC, and (ii) deposited with DTC to be held in trust until maturity. DTC is an automated depository for securities and a clearing house 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 Note. Individual purchases of beneficial ownership interests in the Note may be made only through book entries (without certificates issued by the School District) made on the books and records of DTC (or a successor depository) and its participants, in denominations of \$5,000 or integral multiples

thereof, except for one necessary odd denomination. Principal of and interest on the Note will be payable by the School District to DTC or its nominee as registered owner of the Note. 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 School District 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 (oral advice will not be accepted) by 3:00 o'clock P.M. on the day 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 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 School District, 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.

Upon delivery of and payment for the Notes, the purchaser will be furnished without cost with the approving opinion of Trespasz & Marquardt, LLP, of Syracuse, New York, Bond Counsel to the School District, to the effect that the Notes are valid and legally issued and binding general obligations of the School District, for the payment of which the School District has validly pledged its faith and credit. Said opinion will also state that (a) assuming continuous compliance with the covenants and representations of the School District contained in the record of proceedings relating to the authorization and issuance of the Notes, (i) interest on the Notes presently is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax applicable to individuals and corporations, nor is such interest taken into account in determining the current earnings adjustment for purposes of computing the corporate alternative minimum tax, and (ii) the Notes are not "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), (b) interest on the Notes is presently exempt from New York State personal income taxes and from the New York City "personal income tax on residents" and "earnings tax on nonresidents," (c) the enforceability of the Notes is subject to the provisions of the Federal Bankruptcy Code and insolvency laws of the State of New York and may be subject to other State or Federal laws relating to the rights of creditors, and (d) the scope of the engagement of Trespasz & Marquardt, LLP, of Syracuse, New York, as Bond Counsel in relation to the Notes, has extended solely to rendering the opinions expressed in said opinion, said law firm is rendering no opinion other than the opinions expressly stated therein, and said law firm expresses no opinion on the accuracy or completeness of any documents prepared by or on behalf of the School District for use in connection with the offer and sale of the Notes.

Upon delivery of and payment for the Notes, the purchaser will also receive, without cost, in form satisfactory to Bond Counsel, (a) a certificate evidencing execution, delivery and receipt of payment for the Notes, (b) certificates dated the date of delivery of the Notes and executed by the officer of the School District who executed the Notes on behalf of the School District, stating that (1) no litigation is then pending or, to the knowledge of such officer, threatened to restrain or enjoin the issuance or delivery of the Notes and (2) no authority or proceedings for the issuance of the Notes has or have been repealed, revoked or rescinded, and (c) a federal tax exemption certificate executed by the President of the Board of Education of the School District.

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

On or before the day of closing for the Notes, the successful bidder shall furnish to the School District a certificate acceptable to Bond Counsel stating the initial price at which a bona fide public offering of the Notes was made and stating that 10% or more of the par value of the Notes was in fact sold to the public (excluding bond houses, brokers and other intermediaries) at or below such initial public offering price. 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 which accompanies this Notice of Sale. It is the responsibility of the Purchaser to meet the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission in connection with the sale of the Notes.

Dated: November 3, 2009

WILLIAM J. LYONS
President of the Board of Education

PROPOSAL FOR NOTES

Mr. William J. Lyons
President of the Board of Education
Unadilla Valley Central School District
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

November 12, 2009
11:00 o'clock A.M., Prevailing Time

UNADILLA VALLEY CENTRAL SCHOOL DISTRICT CHENANGO, MADISON and OTSEGO COUNTIES, NEW YORK \$607,074 Bond Anticipation Notes, 2009

Dated: November 20, 2009

Due: November 19, 2010

Dear Mr. Lyons:

For \$607,074 Bond Anticipation Notes, 2009, of the Unadilla Valley Central School District, Chenango, Madison and Otsego Counties, New York, as described in the annexed Notice of Sale which is hereby made a part of this bid, we will pay par value and a premium of \$ _____ and accrued interest to date of delivery with said Notes to bear interest from their date until their maturity at the rate of _____% 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:

Gross Interest	\$ _____
Less Premium	\$ _____
Net Interest Cost	\$ _____
Net Interest Rate	_____ % (four decimals)

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

Name of Bidder (Print)

Bank/Institution

Telephone ()

Telefax ()