

**TOWNSHIP OF MONTGOMERY, IN THE
COUNTY OF SOMERSET, NEW JERSEY**

**NOTICE OF SALE
\$12,943,090 BOND ANTICIPATION NOTE**

Sealed written proposals, telecopied proposals or e-mailed proposals (with the completed bid form attached) for the purchase of a \$12,943,090 Bond Anticipation Note (the "Note") of the Township of Montgomery, in the County of Somerset, New Jersey (the "Township") will be received by Terry Anderson, Paralegal, of McManimon, Scotland & Baumann, LLC, 75 Livingston Avenue, Roseland, NJ 07068, Bond Counsel to the Township, Fax No. (973) 681-7239, e-mail address notebids@msbnj.com, on **August 20, 2019 until 11:30 a.m.** (the "Bid Date"). Bids submitted by telecopy or e-mail are the sole responsibility of the bidder and must be received by 11:30 a.m. The Township accepts no responsibility for the failure of any telecopied or e-mailed bids to be received on time for whatever reason. No bids will be received after 11:30 a.m. A determination as to the award will be made no later than 2:00 p.m. on that date.

The Note will be issued by the Township to finance the acquisition of land for open space and various sewer utility and capital improvements of the Township.

Each bid must offer to purchase the entire Note issue being offered at a price of not less than par and must specify a single rate of interest offered for the Note. Interest shall be calculated on a 30-day month/360-day year basis. Bids may be submitted by completing the proposal form below and by submitting it in accordance with this Notice of Sale. The Chief Financial Officer expects to award the Note to the bidder specifying the lowest net interest payable by the Township. However, the Chief Financial Officer reserves the right to reject all bids or to award the Note to a bidder other than the lowest bidder. Each bidder, by submitting a bid, agrees to accept the determination of the Chief Financial Officer.

SPECIFICATIONS OF BOND ANTICIPATION NOTE

Principal Amount	\$12,943,090
Dated	August 29, 2019
Maturity Date	August 28, 2020
Interest Rate Per Annum	Specified by successful bidder
Tax Matters	Federal and State tax exempt
Bank Qualified	No
Legal Opinion	McManimon, Scotland & Baumann, LLC, Roseland, NJ
Paying Agent	The Township will act as paying agent
Closing	
a. date	August 29, 2019
b. location	McManimon, Scotland & Baumann, LLC, 75 Livingston Avenue, 2 nd Floor, Roseland, New Jersey or at such other place as agreed to by the Chief Financial Officer
Denominations	\$100,000 or any denomination greater than \$100,000, specified by successful bidder

Payment

Immediately available funds received prior to 11:00 a.m. on the date of closing

The Note will be a non-callable general obligation of the Township payable ultimately from *ad valorem* taxes levied upon all the taxable property within the Township to the extent that payment is not otherwise provided.

Each bidder may, on the attached bid sheet, designate the Note as "Direct Purchase, Not Reoffered". If a bidder makes such designation and is awarded the Note, such winning bidder shall certify at closing that (i) it has not reoffered the Note to the public and does not expect to do so and (ii) it has purchased the Note for its own account (or the account of a related party) and not with a view to resell or distribute.

If the Note is being purchased and reoffered for sale, the winning bidder may not reoffer the Note to more than thirty-five (35) persons in order to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission. The winning bidder must believe that each of the persons to whom the Note is sold has such knowledge and experience in financial and business matters and that it is capable in evaluating the merits and the risks of the Note as an investment and is not purchasing the Note for more than one account with the intent to distribute the Note.

In the event the winning bidder designates the Note as "Direct Purchase, Not Reoffered," then the issue price of the Note shall be the purchase price offered by the winning bidder.

Otherwise, in the event the Township receives at least three (3) bids for the Note, then the Issue Price for the Note shall be established based on the reasonably expected initial offering price of the Note as of the Bid Date (the "Expected Offering Price"). The Expected Offering Price shall consist of the price of the Note used by the winning bidder in formulating its bid to purchase the Note. The winning bidder shall be required to deliver on the closing date a certificate to such effect and provide to the Township, in writing, the Expected Offering Price as of the Bid Date.

In the event the Township receives fewer than three (3) bids for the Note, then the Issue Price for the Note shall be established based on the following method as selected by the winning bidder on the Bid Date:

10% Sold: The issue price for the Note shall be established based on the first price at which at least 10% of the Note was sold to the Public (as defined below). The winning bidder shall be required to deliver on the closing date a certificate to such effect and provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of such sales price for the Note. In the event that the winning bidder has not sold at least 10% of the Note to the Public as of the closing date, the winning bidder shall (i) provide to the Township, in writing, on the closing date, the Expected Offering Price for the Note as of the Bid Date and a certificate regarding same and (ii) have a continuing obligation to provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of the first price at which at least 10% of the Note is sold to the Public, contemporaneous with such sale.

Hold the Price: The Issue Price for the Note shall be established based on the initial offering price of the Note to the Public as of the Bid Date, provided that the winning bidder shall, in writing, (i) confirm that the winning bidder has offered or will offer the Note to the public on or before the Bid Date at the offering price or prices set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Note, that the underwriters will neither offer nor sell the Note to any person at a price that is higher than the initial offering price to the Public during the period starting on the Bid Date and ending on the earlier of: (1) the close of the fifth (5th) business day after the Bid Date; or (2) the date on which the underwriters have sold at least 10% of the Note to the Public at a price that is no higher than the initial offering price to the Public.

Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (as defined herein) or a related party to an Underwriter. The term "related party" generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly. Underwriter means (i)

any person that agrees pursuant to a written contract with the Township (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Note to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Note to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Note to the Public).

At delivery of the Note, the Township will furnish to the winning bidder customary closing documents, including (1) a certificate executed by the officials who execute the Note stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or the delivery of the Note or the levy or collection of taxes to pay the principal of or interest due on the Note, or in any manner questioning the authority or the proceedings for the issuance of the Note or the levy or the collection of taxes, or affecting the validity of the Note or the levy or the collection of taxes, and (2) the approving legal opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, in the form attached hereto as **Exhibit A**.

It shall be the responsibility of the winning bidder to have a CUSIP identification number, if required, issued for the Note. The request for the assignment of the CUSIP identification number and the CUSIP Service Bureau charge therefor shall be the responsibility of and shall be paid for by the winning bidder. The CUSIP number must be communicated to McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, within 24 hours of the award of the Note in order to have the CUSIP number printed on the Note.

No Preliminary Official Statement or other offering document will be prepared by the Township for this issue. However, financial information concerning the Township is available at twp.montgomery.nj.us or by contacting the undersigned Chief Financial Officer at telephone number (908) 359-8211, ext. 277, email address mpitts@twp.montgomery.nj.us.

Michael W. Pitts, Jr., Chief Financial Officer
Dated: August 13, 2019