

**NOTICE OF SALE**

**VILLAGE OF CASTILE  
WYOMING COUNTY, NEW YORK  
(the "Village")**

**\$2,655,000**

**BOND ANTICIPATION NOTES, 2011A  
(the "Notes")**

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**LEGAL OPINION:** Hodgson Russ LLP, Buffalo, New York  
John A. Alessi, Esq., telephone: 716-848-1567, fax: 716-819-4660

**NEW ISSUE/RENEWALS:** \$1,500,000 – New Issue / \$1,155,000 – Renewals

**NON-CALLABLE**

**BANK DESIGNATED & QUALIFIED**

**DISCLOSURE INFORMATION:** Please refer to our website: [www.municipalsolution.com](http://www.municipalsolution.com) to view a summary of financial information. If you require additional information, please contact our Canandaigua Office at 585-394-4090.

**DATE OF ISSUANCE & MATURITY:** November 30, 2011 (Wednesday) to May 30, 2012 (Wednesday)

**DAYS OUTSTANDING:** 180

**SALE DATE & TIME:** November 15, 2011 (Tuesday) at 11:00 a.m. - Canandaigua, New York

**CLOSING DATE & TIME:** November 30, 2011 (Wednesday) by 11:00 a.m.

**INVESTMENT INTENT:** The Village has not prepared an Official Statement in connection with the issuance of the Notes. The Purchaser will be asked to execute a certificate stating that it represents and warrants that: a) it is acquiring the Notes for its own account as principal for investment and not for resale or b) it will comply with an exception provided in SEC Rule 15c2-12.

**PURPOSE:** The Notes are being issued pursuant to a bond resolution adopted by the Village Board of Trustees on March 15, 2010 authorizing the issuance of \$7,336,000 of serial bonds for the reconstruction of and construction of improvements to the Village water system. The Village received a Letter of Hardship Assistance on July 7, 2011 from the New York State Environmental Facilities Corporation ("NYS EFC") stating the Village is eligible for a Drinking Water State Revolving Fund ("DWSRF") grant in the amount of \$2,000,000 and \$3,111,267 in interest free financing for a term of 30 years. The Village also received a Letter of Conditions on June 27, 2011 from the United States Department of Agricultural Rural Development ("USDA RD") stating the Village is eligible for a Rural Utilities Service ("RUS") loan for \$2,224,000 for a term of 38 years at 2.5% interest. These financing opportunities are contingent upon satisfaction of the terms and conditions

contained in the letters of commitment. Copies of such commitment letters, are available from the offices of Municipal Solutions, Inc. upon request.

**SECURITY AND  
SOURCE OF PAYMENT:**

The Notes are general obligations of the Village and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest, the Village has the power and statutory authorization to levy *ad valorem* taxes on all the taxable real property in the Village, (subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York).

Each bid must be for all of the Notes and must state a single rate of interest therefor in a multiple of one-eighth (1/8th) or one-hundredth (1/100th) of one per centum (1%) per annum. Unless all bids are rejected, the Notes will be awarded to the bidder 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. In any event, the award of the Notes will be made on the basis of the bid offering to purchase the Notes on terms most favorable to the Village. If two or more bidders offer to purchase the Notes at the same lowest net interest cost, the Notes will be awarded to one of such bidders selected by the Village Treasurer by lot from among all such bidders. The right is reserved to reject all bids, and any bid not complying with this Notice of Sale will be rejected. Interest will be computed on the basis of 30 days to the month and 360 days to the year.

PAYMENT TO BE MADE IN FEDERAL FUNDS. THE PURCHASER SHALL HAVE THE OPTION OF HAVING THE NOTES ISSUED AS PHYSICAL CERTIFICATES OR IN THE FORM OF BOOK-ENTRY-ONLY NOTES REGISTERED IN THE NAME OF CEDE & CO., AS NOMINEE FOR THE DEPOSITORY TRUST COMPANY (DTC). THE NOTES WILL BE ISSUED IN REGISTERED FORM IN DENOMINATIONS OF \$100,000, OR GREATER, AS MAY BE DETERMINED BY SUCH PURCHASER.

MUNICIPAL SOLUTIONS, INC.  
2528 State Route 21  
Canandaigua, New York 14424  
Phone: 585-394-4090  
Fax: 585-394-4092  
[www.municipalsolution.com](http://www.municipalsolution.com)

**PROPOSAL FOR \$2,655,000 BOND ANTICIPATION NOTES, 2011A**  
**Village of Castile, Wyoming County, New York**

Waneta Weiss, Treasurer  
 Village of Castile  
 c/o Municipal Solutions, Inc.  
 2528 State Route 21  
 Canandaigua, New York 14424  
 Telephone: 585-394-4090  
 Fax: 585-394-4092

Sale Date: November 15, 2011  
 11:00 A.M., Prevailing Time

**Dated: November 30, 2011**

**Maturity Date: May 30, 2012**

Dear Ms. Weiss:

For the **\$2,655,000 Bond Anticipation Notes, 2011A (the "Notes") of the Village of Castile, Wyoming County, New York**, dated November 30, 2011 and maturing May 30, 2012, without the option of redemption, in whole or in part, prior to maturity, as described in the annexed Notice of Sale which is hereby made a part of this bid, we offer to pay \$2,655,000 and a premium of \$\_\_\_\_\_ ; the Notes to bear interest at the rate of \_\_\_\_\_% per annum expressed in a multiple of one-eighth or one-hundredth of one per centum payable at maturity.

The following is our computation of the net interest cost, made as provided in the above-mentioned Notice of Sale, and is not a part of the foregoing proposal for the purchase of the Notes.

Gross Interest Cost .....	\$ _____
Less Premium Bid Over Par .....	\$ _____
Net Interest Cost .....	\$ _____
Effective Net Interest Cost Rate .....	_____ % (Four Decimals)

Please Specify Form of Notes:

Book-Entry / DTC \_\_\_\_\_

or

"Local" Close \_\_\_\_\_

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Address of Bidder

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Fax No

\_\_\_\_\_  
E-Mail Address