

NOTICE OF SALE

**CITY OF LOCKPORT
NIAGARA COUNTY, NEW YORK**

\$740,570

BOND ANTICIPATION NOTES, 2011

LEGAL OPINION: Orrick, Herrington & Sutcliffe LLP, New York, New York
Douglas Goodfriend, Esq., telephone: 212-506-5211; fax: 212-506-3730

NEW ISSUE: \$740,570

NON-CALLABLE

BANK DESIGNATED / QUALIFIED: Yes

DISCLOSURE INFORMATION: Please refer to our website: 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: December 15, 2011 (Thursday) to December 13, 2012 (Thursday)

DAYS OUTSTANDING: 358

SALE DATE & TIME: December 1, 2011 (Thursday) at 11:00 a.m. EST – Canandaigua, NY

CLOSING DATE & TIME: December 15, 2011 (Thursday) by 11:00 a.m.

PURPOSE: Pursuant to bond resolutions adopted by the City Council on October 5, 2011 authorizing the issuance of serial bonds for 1) cost of preliminary plans and surveys in connection with the reconstruction of various municipal buildings (\$150,000); 2) reconstruction of the sewer main on Route 78 (\$462,000) and 3) to pay a portion of the cost of the purchase of a firefighting vehicle (\$128,570).

SECURITY AND SOURCE OF PAYMENT: The Notes are general obligations of the City and will contain a pledge of the faith and credit of the City for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest, the City has the power and statutory authorization to levy *ad valorem* taxes on all the taxable real property in the City, subject to applicable 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 City. 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 City 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 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 \$5,000, OR INTEGRAL MULTIPLES THEREOF, EXCEPT FOR ONE NOTE OF AN ODD DENOMINATION, AS MAY BE DETERMINED BY SUCH PURCHASER. FOR NOTES REGISTERED TO THE PURCHASER, A SINGLE NOTE CERTIFICATE WILL BE ISSUED.

MUNICIPAL SOLUTIONS, INC.

2528 State Route 21

Canandaigua, New York 14424

Phone: 585-394-4090

Fax: 585-394-4092

www.municipalsolution.com

PROPOSAL FOR \$740,570 BOND ANTICIPATION NOTES, 2011
City of Lockport, Niagara County, New York

Michael E. White, Treasurer
City of Lockport
c/o Municipal Solutions, Inc.
2528 State Route 21
Canandaigua, New York 14424
Telephone: 585-394-4090
Fax: 585-394-4092

Sale Date: December 1, 2011
11:00 A.M., Prevailing Time

Dated: December 15, 2011

Maturity Date: December 13, 2012

Dear Mr. White:

For the **\$740,570 Bond Anticipation Notes, 2011 (the "Notes") of the City of Lockport, Niagara County, New York**, dated December 15, 2011 and maturing December 13, 2012 without the option of prior redemption, as described in the annexed Notice of Sale which is hereby made a part of this bid, we will pay \$740,570 and a premium of \$_____ at the rate of _____% per annum expressed in a multiple of one-eighth or one-hundredth of one per centum.

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	\$ _____
Premium Bid Over Par	\$ _____
Total Interest	\$ _____
Effective Net Interest Rate	_____ %

(Four Decimals)

Please Specify Form of Notes:

Book-Entry/DTC _____

or

"Local" Closing _____

Signature

Name of Bidder

Address of Bidder

Telephone

Fax No

E-Mail Address