

**NOTICE OF SALE**

**VILLAGE OF LYNDONVILLE  
ORLEANS COUNTY, NEW YORK**

**\$919,000**

**BOND ANTICIPATION NOTES, 2011**

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<u>LEGAL OPINION:</u>	Hodgson Russ LLP, Buffalo, New York John A. Alessi, Esq. / Telephone: 716-848-1567 / Fax: 716-819-4660
<u>NEW ISSUE:</u>	\$919,000
<u>NON-CALLABLE</u>	
<u>BANK DESIGNATED &amp; QUALIFIED</u>	
<u>DISCLOSURE INFORMATION:</u>	Please refer to our website: <a href="http://www.municipalsolution.com">www.municipalsolution.com</a> to view a summary of financial information. If you require additional information, please contact our Canandaigua Office at 585-394-4090.
<u>PURPOSE:</u>	Reconstruction of and construction of improvements to the Village sewer system pursuant to a bond resolution adopted by the Village Board of Trustees on September 14, 2009 authorizing the issuance of \$2,126,000 of serial bonds. The Village received a Letter of Conditions on April 22, 2010 from the United States Department of Agriculture Rural Development ("USDA RD") stating the Village is eligible for a Rural Utilities Services ("RUS") loan for \$919,000 at a 3.25% interest rate and a RUS grant for \$717,000. The Village has also received a \$20,000 donation from the Lyn Foundation and a United States Environmental Protection Agency grant for \$420,000. These financing opportunities are contingent upon satisfaction of the terms and conditions contained in the letter of commitment from the various funding agencies. A copy of said commitment letter, are available from the offices of Municipal Solutions, Inc. upon request.
<u>DATE OF ISSUANCE &amp; MATURITY:</u>	August 17, 2011 (Wednesday) to August 16, 2012 (Thursday)
<u>DAYS OUTSTANDING:</u>	359
<u>SALE DATE &amp; TIME:</u>	August 3, 2011 (Wednesday) at 11:00 a.m. - Canandaigua, New York
<u>CLOSING DATE &amp; TIME:</u>	August 17, 2011 (Wednesday) by 11:00 a.m.

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.

The right is reserved to reject all bids, and any bid not complying with this Notice of Sale in all material respects 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 \$5,000, OR INTEGRAL MULTIPLES THEREOF EXCEPT FOR ONE NOTE OF AN ODD DENOMINATION, 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 \$919,000 BOND ANTICIPATION NOTES, 2011**  
**Village of Lyndonville, Orleans County, New York**

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

Sale Date: August 3, 2011  
11:00 A.M., Prevailing Time

**Dated: August 17, 2011**

**Maturity Date: August 16, 2012**

Dear Ms. Houseman:

For the **\$919,000 Bond Anticipation Notes 2011 (the "Notes") of the Village of Lyndonville, Orleans County, New York**, dated August 17, 2011 and maturing August 16, 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 offer to pay \$919,000 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