



NOTICE OF SALE

TOWN OF NEWFANE
NIAGARA COUNTY, NEW YORK
(the "Town")

\$1,527,000 BOND ANTICIPATION NOTES, 2009 SERIES A
(Designated/Bank Qualified)
(the "Notes")

Sale Date: November 24, 2009
Time: 11:00 Prevailing Time
Place of Sale: Municipal Solutions, Inc.
2528 State Route 21
Canandaigua, New York 14424

NOTES DATED: December 10, 2009 (Thursday)
NOTES DUE: December 9, 2010 (Thursday)

Written proposals, telephone bids (telephone number: 585-394-4090) and facsimile transmission (FAX) bids (FAX number: 585-394-4092) will be received at the offices of Municipal Solutions, Inc., 2528 State Route 21, Canandaigua, New York 14424 until 11:00 A.M. Prevailing Time on the 24th day of November, 2009, at which time and place the bids will be opened for the purchase at not less than par and accrued interest of \$1,527,000 Bond Anticipation Notes, 2009 Series A of the Town of Newfane, Niagara County, New York (the "Town") dated December 10, 2009 and maturing on December 9, 2010, with interest thereon payable at maturity. The Notes **shall be subject to redemption prior to maturity**, upon 14 days prior written notice to the registered owner(s) thereof, on or after June 10, 2010.

The timely delivery of all proposals submitted by facsimile transmission (FAX) must be in legible and completed form, signed by an authorized representative of the bidder, and shall be the sole responsibility of the bidder. The Town shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

The Notes are being issued in accordance with the Constitution and statutes of the State of New York, including the Local Finance Law and a bond resolution duly adopted on January 3, 2008 by the Town Board authorizing the reconstruction of and construction of the Town Hall/Community Center. The proceeds of the Notes will be used to redeem and renew (in part) an outstanding bond anticipation note of the Town that was issued on December 10, 2008.

Principal of and interest on the Notes are payable in lawful money of the United States of America in Federal Funds.

The purchaser(s) shall have the option of having the Notes, which will be issued in registered form, issued in the name of the purchaser(s), or, at the option of the purchaser(s), in the name of the nominee of The Depository Trust Company. The purchaser(s) must notify Bond Counsel by 3:00 P.M., Prevailing Time, on the date of sale whether or not the Notes will be issued in book-entry form.

If the Notes are not issued in book-entry form, they will be issued as registered obligations, in the name(s) of the purchaser(s). Principal of and interest on the Notes will be payable at maturity at such bank or trust company located and authorized to do business in the State of New York or at such other office as may be designated by the purchaser(s). Paying agent fees, if any, shall be paid by the purchaser(s).

If the Notes are issued in book-entry-only form, the Notes will be (i) registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and (ii) deposited with DTC to be held in

trust until maturity. DTC is an automated depository for securities and a clearinghouse for securities transactions, and will be responsible for establishing and maintaining a book-entry system for recording the ownership interest of its participants, which include certain banks, trust companies and securities dealers, and the transfer of the interests among its participants. The DTC participants will be responsible for establishing and maintaining records with respect to the Notes. Individual purchases of beneficial ownership interest in the Notes may be made only through book entries made on the books and records of DTC (or a successor depository) and its nominee as registered owner of the Notes. 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 Town 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.

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

Each bid may be for all or a portion of the Notes and must 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. Interest will be calculated on the basis of 30 days to the month and 360 days to the year. 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 aggregate interest cost, net of any premium bid. If there is more than one bid at the same lowest net interest cost, the winner will be selected by the Town by lot. The right is reserved by the Town to reject all bids.

The right is reserved by the Town to award to any bidder(s) all or any part of the Notes which such bidder(s) offers to purchase and, in such event, the premium, if any, specified by such bidder(s) will be pro-rated. In any event, award of the Notes will be made on the basis of the bid or combination of bids offering to purchase the Notes on terms most favorable to the Town.

The Notes will be delivered in New York, New York or at such other place as may be agreed with the purchaser(s) on or about December 10, 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 such delivery date.

CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers by the close of business on the date of 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(s) 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 Town; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser(s).

As a condition to the purchaser's obligation to accept delivery of and pay for the Notes, such purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for the Notes: (i) a Certificate of the Town Supervisor certifying that (a) as of the date of the Official Statement furnished by the Town in relation to the Notes, the Official Statement did not contain any untrue statements of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the Town is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of the Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the Town and no material adverse changes in the general affairs of the Town or in its financial condition as shown in the Official Statement other than as disclosed in or contemplated by the Official Statement, (ii) a Closing Certificate, constituting a receipt for the Note proceeds and a signature certificate, which will include a statement that no litigation is pending, or to the knowledge of the signers, threatened, affecting the Notes, (iii) a nonarbitrage certificate executed on behalf of the Town which will include, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986, as amended (the "Code"), with the owners of the Notes that the Town will, among other things, (a) take all actions on its part necessary to cause interest on the Notes not to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Notes and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (b) refrain from taking any action

which would cause interest on the Notes to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Notes and investment earnings thereon on certain specified purposes, and (iv) the approving opinion of the law firm of Hodgson Russ LLP, Bond Counsel, of Buffalo, New York, to the effect that the Notes are valid and legally binding general obligations of the Town, for which the Town has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Town is subject to the levy of *ad valorem* real estate taxes to pay the Notes and interest thereon, without limitation as to rate amount. Reference should be made to the Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Notes and the matters covered by such legal opinion.

THE NOTES WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" PURSUANT TO THE CODE.

The purchaser(s) shall be obligated to furnish to the Town, when and if requested, prior to the delivery of the Notes, such information requested by the Town as shall be necessary to enable the Town to determine the "issue price" of the Notes as defined in Sections 1273 or 1274 of the Code.

The Official Statement dated November 17, 2009 is in a form "deemed final" for purposes of SEC Rule 15c2-12, except for the omission therefrom of those items allowable under such Rule.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the Town, to provide to the Town, in writing, within two business days after the date of such award, all information which such successful bidder determines is necessary for it to comply with SEC Rule 15c2-12, including all necessary pricing and sale information, information with respect to the purchase of bond insurance, if any, and underwriter identification. Within five business days following receipt by the Town thereof, the Town will furnish to the successful bidder, in reasonable quantities as requested by the successful bidder, copies of the Official Statement, updated as necessary, and supplemented to include such information. Failure by the successful bidder to provide such information will prevent the Town from furnishing the Official Statement as described above. The Town shall not be responsible or liable in any manner for the successful bidder's determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder, or for failure to furnish the Official Statements as described above which results from a failure by the successful bidder to provide the aforementioned information within the time specified. Acceptance by the successful bidder of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligations of the Town with respect to the preparation and delivery thereof.

THE TOWN RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN 24 HOURS PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF SALE TO BE TRANSMITTED OVER THE TM3.

Timothy Horanburg
Town Supervisor and Chief Fiscal Officer

Dated: November 17, 2009

Additional copies of the Notice of Sale and Official Statement may be obtained upon request
from the office of Municipal Solutions, Inc., 2528 State Route 21,
Canandaigua, New York 14424, telephone (585) 394-4090.
Website: www.municipalsolution.com

**PROPOSAL FOR \$1,527,000 BOND ANTICIPATION NOTES, 2009 SERIES A
TOWN OF NEWFANE, NIAGARA COUNTY, NEW YORK**

Timothy Horanburg, Town Supervisor
Town of Newfane, Niagara County, New York
c/o Municipal Solutions, Inc.
2528 State Route 21
Canandaigua, New York 14424
Telephone: 585-394-4090
Fax: 585-394-4092

Sale Date: November 24, 2009
11:00 A.M., Prevailing Time

Dated: December 10, 2009

Maturity Date: December 9, 2010

Dear Mr. Horanburg:

We hereby submit the following proposal for the purchase, in whole or in part, in Federal Funds, of **\$1,527,000 Bond Anticipation Notes, 2009 Series A of the Town of Newfane, Niagara County, New York**, to be dated December 10, 2009 and maturing December 9, 2010, subject to redemption, prior to maturity, in whole or in part, on or after June 10, 2010, upon 14 days prior written notice to the registered owners thereof, as described in the annexed Notice of Sale which is hereby made a part of this bid.

The following is our computation of the net interest cost, made as provided in the Notice of Sale distributed in connection with the issuance of the Notes, but not constituting any part of the foregoing proposal for the purchase of the \$1,527,000 Notes therein described.

Bid No.	Principal Amount	Interest Rate	Premium	Net Interest Cost
1	\$	%	\$	
2	\$	%	\$	
3	\$	%	\$	
4	\$	%	\$	

Book-Entry / DTC _____
or
"Local" Closing _____

Signature

Name of Financial Institution

Address

Telephone

Fax

E-mail