

NOTICE OF SALE

**TOWN OF WARSAW
WYOMING COUNTY, NEW YORK
(the "Town")**

\$900,000

**BOND ANTICIPATION NOTES, 2012
(the "Notes")**

LEGAL OPINION: Hodgson Russ LLP, Buffalo, New York
John A. Alessi, Esq. / Telephone: 716-848-1567 / Fax: 716-819-4660

RENEWAL: \$900,000

CALLABLE: March 15, 2012, in whole or in part, with twenty (20) days prior written notice to the registered owner thereof.

BANK DESIGNATED & QUALIFIED

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: January 19, 2012 (Thursday) to January 17, 2013 (Thursday)

DAYS OUTSTANDING: 358

SALE DATE & TIME: January 10, 2012 (Tuesday) at 11:00 a.m. - Canandaigua, New York

CLOSING DATE & TIME: January 19, 2012 (Thursday) by 11:00 a.m.

PURPOSE: Establishment of Sanitary Sewer District No. 1 and construction of improvements therein, pursuant to a bond resolution dated December 13, 2010 authorizing the issuance of \$900,000 serial bonds.

SECURITY AND SOURCE OF PAYMENT: The Notes are general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest, the Town has the power and statutory authorization to levy *ad valorem* taxes on all the taxable real property in the Town, except for 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 Town. 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 Town Supervisor 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 \$5,000, OR INTEGRAL MULTIPLES THEREOF, 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 \$900,000 BOND ANTICIPATION NOTES, 2012
Town of Warsaw, Wyoming County, New York

Rebecca Ryan, Supervisor
 Town of Warsaw
 c/o Municipal Solutions, Inc.
 2528 State Route 21
 Canandaigua, New York 14424
 Telephone: 585-394-4090
 Fax: 585-394-4092

Sale Date: January 10, 2012
 11:00 A.M., Prevailing Time

Dated: January 19, 2012

Maturity Date: January 17, 2013

Dear Ms. Ryan:

For the **\$900,000 Bond Anticipation Notes, 2012 (the "Notes") of the Town of Warsaw, Wyoming County, New York**, dated January 19, 2012 and maturing January 17, 2013, with the option of prior redemption in whole or in part, on or after March 15, 2012 upon twenty (20) days prior written notice, as described in the annexed Notice of Sale which is hereby made a part of this bid, we offer to pay \$900,000 and a premium of \$_____ 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