

**TOWNSHIP OF MARLBORO,
County of Monmouth, New Jersey**

NOTICE OF \$11,546,000 BOND ANTICIPATION NOTE SALE

Sealed written proposals, telecopied proposals or e-mailed proposals (with the completed bid form scanned and attached) for the purchase of a \$11,546,000 Bond Anticipation Note (the "Note") of the Township of Marlboro, in the County of Monmouth, New Jersey (the "Township") will be received by Heather Thompson, Paralegal, on behalf of Matthew D. Jessup, Esq., Bond Counsel to the Township, McManimon, Scotland & Baumann, LLC, Roseland, New Jersey 07068 FAX NO. 973-712-1464, e-mail address: hthompson@msbnj.com on **Thursday, December 1, 2016 until 11:30 a.m.** Bids submitted by telecopy or e-mail are the sole responsibility of the bidder and must be received by 11:30 a.m. The Township accepts no responsibility for the failure of any telecopied or e-mailed bids to be received on time for whatever reason. No bids will be received after 11:30 a.m. A determination as to the award will be made no later than 2:00 p.m. on that date.

The Note will be issued to provide new money to fund various improvements and the preservation of open space and farmland.

Each bid must offer to purchase the entire Note issue being offered at a price of not less than par and must specify a single rate of interest offered for the Note. Interest shall be calculated on a 30-day month/360-day year basis. Bids may be submitted by completing the proposal form below and by submitting it in accordance with this Notice of Sale. The Chief Financial Officer expects to award the Note to the bidder specifying the lowest net interest payable by the Township. However, the Chief Financial Officer reserves the right to reject all bids or to award the Note to a bidder other than the lowest bidder. The bidder, by submitting a bid agrees to accept the determination of the Chief Financial Officer.

SPECIFICATIONS OF BOND ANTICIPATION NOTE

Principal Amount	\$11,546,000
Dated	December 9, 2016
Maturity Date	November 15, 2017
Interest Rate Per Annum	Specified by successful bidder
Tax Matters	Federal and State tax exempt
Bank Qualified	No
Legal Opinion	McManimon, Scotland & Baumann, LLC, Roseland, NJ
Paying Agent	The Township will act as paying agent
Closing	
a. date	December 9, 2016
b. location	McManimon, Scotland & Baumann, LLC, 75 Livingston Avenue, 2 nd Floor, Roseland, New Jersey or at such other place as agreed to by the Chief Financial Officer

Denominations	\$100,000 or any denomination greater than \$100,000, specified by successful bidder
Payment	Immediately available funds received prior to 11:00 a.m. on the date of closing

The Purchaser may, on the attached bid sheet, designate the Note as "Direct Purchase, Not Reoffered". If the Purchaser makes such designation, the Purchaser shall certify at closing that (i) it has not reoffered the Note to the public and does not expect to do so and (ii) it has purchased the Note for its own account (or the account of a related party) and not with a view to resell or distribute.

If the Note is being purchased and reoffered for sale, the Purchaser may not reoffer the Note to more than thirty-five (35) persons in order to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission. The Purchaser must believe that each of the persons to whom the Note is sold has such knowledge and experience in financial and business matters and that it is capable in evaluating the merits and the risks of the Note as an investment and is not purchasing the Note for more than one account with the intent to distribute the Note.

The Note will be a noncallable general obligation of the Township payable ultimately from *ad valorem* taxes levied upon all the taxable property within the Township to the extent that payment is not otherwise provided.

At delivery of the Note, the Township will furnish to the Purchaser customary closing documents, including (1) a certificate executed by the officials who execute the Note stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or the delivery of the Note or the levy or collection of taxes to pay the principal of or interest due on the Note, or in any manner questioning the authority or the proceedings for the issuance of the Note or the levy or the collection of taxes, or affecting the validity of the Note or the levy or the collection of taxes, and (2) the approving legal opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, in the form attached hereto as **Exhibit A**.

It shall be the responsibility of the Purchaser to have a CUSIP identification number, if required, issued for the Note. The request for the assignment of the CUSIP identification number and the CUSIP Service Bureau charge therefor shall be the responsibility of and shall be paid for by the Purchaser. The CUSIP number must be communicated to McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, within 24 hours of the award of the Note in order to have the CUSIP number printed on the Note.

No Preliminary Official Statement or other offering document will be prepared by the Township for this issue. However, financial information concerning the Township is available at www.marlboro-nj.gov, or by contacting the undersigned Chief Financial Officer at telephone number 732-536-0200 x1231, e-mail address: LRusso@marlboro-nj.gov

Lori Russo, Chief Financial Officer
Dated: November 21, 2016

**TOWNSHIP OF MARLBORO,
County of Monmouth, New Jersey**

\$11,546,000 BOND ANTICIPATION NOTE

TO: Heather Thompson
FAX NO.: 973-712-1464
E-MAIL ADDRESS: hthompson@msbnj.com
PHONE NO.: 973-622-5027

DATE: December 1, 2016

PROPOSAL

<u>Amount of Note</u>	<u>Price</u>	<u>Rate of Interest</u>
\$11,546,000	\$ _____	_____ % per annum

Name of Bidder: _____ Authorized Signature: _____

Phone Number _____ Print Name: _____

PLEASE COMPLETE THE FOLLOWING:

Interest Payable on Note	\$ _____
Less: Premium (if any)	\$ _____
Net Interest Payable	\$ _____
Net Interest Cost %	_____ %
Purchased and Reoffered for Sale	_____ yes _____ no
Direct Purchase, Not Reoffered	_____ yes _____ no

THIS PORTION OF THE PROPOSAL IS NOT PART OF THE BID

Exhibit A

Form of Approving Legal Opinion of Bond Counsel

_____, 2016

Township Council of the
Township of Marlboro, in the
County of Monmouth, New Jersey

Dear Council Members:

We have acted as bond counsel to the Township of Marlboro, in the County of Monmouth, New Jersey (the "Township") in connection with the issuance by the Township of a \$11,546,000 Bond Anticipation Note dated the date hereof (the "Note"). In order to render the opinions herein, we have examined laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to our satisfaction, and have undertaken such research and analyses as we have deemed necessary.

The Note is issued pursuant to the Local Bond Law of the State of New Jersey and the bond ordinances of the Township listed in the Certificate of Determination and Award dated the date hereof, each in all respects duly approved and published as required by law. The Note is a temporary obligation issued in anticipation of the issuance of bonds.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Note is a valid and legally binding obligation of the Township, payable in the first instance from the proceeds of the sale of the bonds in anticipation of which the Note is issued, but, if not so paid, payable ultimately from *ad valorem* taxes that may be levied upon all the taxable real property within the Township without limitation as to rate or amount.

On the date hereof, the Township has covenanted in its Arbitrage and Tax Certificate (the "Certificate") to comply with certain continuing requirements that must be satisfied subsequent to the issuance of the Note in order to preserve the tax-exempt status of the Note pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Pursuant to Section 103(a) of the Code, failure to comply with these requirements could cause interest on the Note to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Note. In the event that the Township continuously complies with its covenants and in reliance on representations, certifications of fact and statements of reasonable expectations made by the Township in the Certificate, it is our opinion that, pursuant to Section 103(a) of the Code, interest on the Note is not included in gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. It is also our opinion that interest on the Note held by a corporate taxpayer is included in "adjusted current earnings" in calculating alternative minimum taxable income for purposes of the federal alternative minimum tax imposed on corporations. We express no opinion regarding other federal tax consequences

arising with respect to the Note. Further, in our opinion, interest on the Note and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. These opinions are based on existing statutes, regulations, administrative pronouncements and judicial decisions.

This opinion is issued as of the date hereof. We assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law or interpretations thereof that may occur after the date of this opinion or for any reason whatsoever.

Very truly yours,