

NOTICE OF SALE

TOWNSHIP OF MAPLEWOOD, IN THE COUNTY OF ESSEX, NEW JERSEY

\$17,130,000* GENERAL IMPROVEMENT BONDS (Book-Entry-Only Bonds)/(Callable)/(Not Bank Qualified)

SUMMARY

ISSUER:	Township of Maplewood, County of Essex, New Jersey
PAR AMOUNT:	\$17,130,000*
SECURITY:	General Obligations of the Township
TAX EXEMPT:	Yes
RATING:	To be Assigned.
TYPE OF SALE:	Electronic Open Auction with Two Minute Rule (See Bidding Details Item (7) herein)
AUCTION AGENT:	MuniAuction
BID/AWARD DATE:	June 20, 2018 at 10:30 AM to 10:45 AM with Two Minute Rule applicable. Award by 2:00 PM
DATED DATE:	Date of Delivery
DELIVERY DATE:	June 28, 2018
INTEREST PAYMENT DATES:	February 15 and August 15, commencing February 15, 2019
CALL DATE:	February 15, 2025 @ par for Bonds maturing on or after February 15, 2026
MINIMUM BID:	\$17,130,000 (Par)
MAXIMUM BID:	\$18,843,000 (Par plus 10% original issue premium limitation)

*Preliminary, subject to change, as described herein.

BID SECURITY: **Good Faith Check or wire transfer in the amount of \$342,600 received by Township (prior to bidding) or Financial Surety Bond from Sure-Bid**

BASIS OF AWARD: True Interest Cost

LEGAL OPINION: McManimon, Scotland & Baumann, LLC, Roseland, New Jersey

OFFERING
STATEMENT: Preliminary Official Statement available at www.GrantStreet.com

NOTICE

NOTICE IS HEREBY GIVEN that bids will be received by the Township of Maplewood, in the County of Essex, New Jersey (the "Township") for the purchase of \$17,130,000* original principal amount of the Township's General Improvement Bonds (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group's MuniAuction website ("MuniAuction") prior to 10:45 a.m., New Jersey time on June 20, 2018, unless otherwise extended by the two-minute rule described herein (see "Bidding Details"). The auction will begin at 10:30 a.m., New Jersey time on June 20, 2018 (the "Bid Date"). To bid via MuniAuction, Bidders (as defined below) must have both (1) completed the registration form on either MuniAuction or Grant Street Group website (parent of MuniAuction, herein referred to as "Grant Street") and (2) requested and received admission to the Township's auction, as described herein (see "Registration and Admission to Bid") and (3) submitted a good faith check, wire transfer or Financial Surety Bond, payable to the Township, in the amount of \$342,600 prior to the Bid Date (see Bidding Details below). The use of MuniAuction shall be at the Bidder's risk and expense, and the Township shall have no liability with respect thereto.**

Preliminary and Final Official Statement

The Township's Preliminary Official Statement (the "POS"), dated on or about June 5, 2018, is available for viewing in electronic format on MuniAuction. The MuniAuction address is www.GrantStreet.com. In addition, broker dealers registered with the National Association of Securities Dealers ("NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to June 20, 2018, elect to receive a photocopy of the POS in the mail by requesting it on MuniAuction or by calling the Township's bond counsel, Edward J. McManimon, III, Esq., of McManimon, Scotland & Baumann, LLC ("Bond Counsel"), 75 Livingston Avenue, Roseland, New Jersey 07068 (telephone no. 973-622-5028) or attention of Elizabeth Manuel, Paralegal (telephone no. 973-622-5280) or the Township's Municipal Advisor, Phoenix Advisors, LLC ("Municipal Advisor"), David B. Thompson, CEO, 4 West Park Street, Bordentown, NJ 08505 (telephone no. 609-291-0130). In order to print a copy or request a photocopy of the POS from MuniAuction, click the "View POS" button on the MuniAuction Selections Page and follow the instructions. All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

*Preliminary, subject to change, as described herein.

The POS is deemed by the Township to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the "Final Official Statement") as may be necessary.

The Township at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements, within seven (7) business days following the date of acceptance of the Bid.

Types of Bids Allowed

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an "All-or-None" ("AON") basis for the entire amount of \$17,130,000*. There will be only one CUSIP assigned to each annual maturity of the issue. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Township, the Bidder will be required to purchase the entire issue in accordance with such Bid.

Interest Payment Dates; Description of the Bonds

The Bonds will be dated their date of delivery and will bear interest from such date payable semiannually on each February 15 and August 15, commencing on February 15, 2019.

Principal Amortization

The Bonds shall mature on February 15 as set forth in the following table:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2019	\$860,000	2025	\$1,720,000
2020	\$860,000	2026	\$1,720,000
2021	\$860,000	2027	\$1,720,000
2022	\$880,000	2028	\$1,720,000
2023	\$1,675,000	2029	\$1,720,000
2024	\$1,675,000	2030	\$1,720,000

The Township may and expects to, after the receipt and opening of bids, adjust the maturity schedule of the Bonds, provided however, that (1) no maturity schedule adjustment shall exceed 10% upward or downward of the principal for any maturity as specified herein, and (ii) the aggregate adjustment to the maturity schedule shall not exceed 10% upward or downward of the aggregate principal amount of Bonds, as specified herein, and the aggregate principal amount of Bonds, as adjusted, will not exceed \$17,130,000*. The dollar amount bid by the successful bidder shall be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and the original issue premium or discount, but will not

*Preliminary, subject to change, as described herein.

change the per bond underwriter's discount, as calculated from the bid, and the Initial Public Offering Prices required to be delivered to the Township, as stated herein.

Book-Entry-Only

The Bonds will be issued in book-entry form only, initially in the name of Cede & Co., as nominee of DTC. Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of \$5,000 (or any \$1,000 increments thereof). Payments of principal, interest and redemption premium, if any, will be made by the paying agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

Redemption Provisions

The Bonds maturing prior to February 15, 2026 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after February 15, 2026 are redeemable at the option of the Township in whole or in part on any date on or after February 15, 2025 at 100% of the principal amount outstanding (the "Redemption Price") plus interest accrued to the date of redemption upon notice as required herein.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township or a duly appointed Bond Registrar. Any failure of the securities depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of the Bonds prior to maturity, the bonds to be redeemed shall be selected by the Township; the Bonds to be redeemed having the same maturity shall be selected by the securities depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest to the date fixed for redemption. Interest shall cease to accrue on the Bonds after the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

Registration and Admission to Bid

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 370 Auction Support) for their ID Number or password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at www.muniauction.com.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Bonds:

- (1) **BIDDERS MUST SUBMIT EITHER A GOOD FAITH CHECK, A WIRE TRANSFER (PLEASE CONTACT THE MUNICIPAL ADVISOR AT 609-291-0130 FOR WIRE INSTRUCTIONS) OR A FINANCIAL SURETY BOND IN THE AMOUNT OF \$342,600 PAYABLE TO THE TOWNSHIP PRIOR TO THE TIME FOR SUBMISSION OF BIDS AT THE FOLLOWING ADDRESS:**

**Paulette Ercolano
Acting Chief Financial Officer
Township of Maplewood
574 Valley Street
Maplewood, NJ 07040-2691**

BIDDERS SUBMITTING GOOD FAITH CHECKS SHOULD ALSO ENCLOSE A RETURN ENVELOPE FOR USE BY THE TOWNSHIP.

UNSUCCESSFUL BIDDERS SUBMITTING THE GOOD FAITH DEPOSIT BY WIRE TRANSFER SHALL, NO LATER THAN THE CLOSE OF BUSINESS ON THE BID DATE, PROVIDE THE ACTING CHIEF FINANCIAL OFFICER IN WRITING WITH WIRING INSTRUCTIONS FOR THE RETURN OF SUCH UNSUCCESSFUL BIDDER'S GOOD FAITH DEPOSIT. IN THE EVENT THAT THE TOWNSHIP FAILS TO RETURN ANY GOOD FAITH WIRES IN A TIMELY FASHION, THE TOWNSHIP SHALL NOT BE LIABLE FOR MONETARY DAMAGES, REMEDY BEING HEREBY SPECIFICALLY LIMITED TO SPECIFIC PERFORMANCE.

- (2) All Bids must be submitted on the MuniAuction website at www.GrantStreet.com. **No telephone, telefax, telegraph or personal delivery Bids will be accepted.**
- (3) All Bids for the Bonds must be submitted on an AON basis. Bidders may change and submit Bids as provided for herein, but a submitted Bid may not be withdrawn.
- (4) Bidders may bid to purchase Bonds from the Township with a bid premium in an amount not in excess of ten percent (10%) of the par amount of the Bonds, representing a bid price of not in excess of \$18,843,000.00. No Bid will be considered if the Bid is to purchase Bonds at a price less than 100% of the principal amount thereof. The Township may and expects to, after the receipt and opening of bids, adjust the maturity schedule of the Bonds, as set forth in more detail under "Principal Amortization" above.
- (5) Bidders must specify a rate of interest for each maturity of the Bonds which rate of interest must be expressed in multiples of one-eighth (1/8) or one-twentieth

(1/20) of one percent (1%). All of the Bonds of the same maturity must bear the same interest rate. The difference between the highest and lowest interest rates named in the Bid shall not exceed three percent (3.00%) per annum.

- (6) Bidders are only permitted to submit Bids for the Bonds during the bidding period.
- (7) If any Bid on the auction becomes a leading Bid two (2) minutes, or less, prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such Bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single leading Bid remains the leading Bid for at least two (2) minutes.
- (8) Bidders may change and submit Bids as many times as they like during the bidding time period; provided however, each and any Bid submitted subsequent to a Bidder's initial Bid must result in a lower True Interest Cost (as defined herein and referred to as "TIC") when compared to the immediately preceding Bid of such Bidder. In the event that the revised Bid does not produce a lower TIC, the prior Bid will remain valid.
- (9) The last Bid submitted by a Bidder before the end of the bidding time period will be compared to all other final Bids submitted by others to determine the winning Bidder or Bidders.
- (10) During the bidding, no Bidder will see any other Bidder's Bid, but Bidders will be able to see the ranking of their Bid relative to other Bids (i.e., "Leader", "Cover", "3rd", etc.).

Rules of MuniAuction

The rules of MuniAuction (the "Rules") can be viewed on MuniAuction and are incorporated herein by reference. Bidders must comply with the Rules in addition to the requirements of this Notice of Sale dated the date hereof (the "Notice of Sale"). To the extent there is a conflict between the Rules and this Notice of Sale, this Notice of Sale shall control.

Rules

- (1) A Bidder submitting a Winning Bid is irrevocably obligated to purchase the Bonds at the rates and prices of the Winning Bid, if acceptable to the Township, as set forth in the related Notice of Sale. **Winning Bids are not officially awarded to the Bidder until formally accepted by the Township.**
- (2) Neither the Township, Bond Counsel, Municipal Advisor nor MuniAuction (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with MuniAuction, slowness in transmission of Bids, or other technical problems.

- (3) If for any reason a Bidder is disconnected from MuniAuction's Auction Page during the auction after having submitted a Winning Bid, such Bid is valid and binding upon the Bidder, unless the Township exercises its right to reject Bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and the Bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Notice of Sale (including amendments, if any) related to each auction.
- (6) Neither the Township, Bond Counsel, Municipal Advisor nor the Auction Administrator is responsible to any Bidder for any defect or inaccuracy in the Notice of Sale, amendments, or POS as they appear on MuniAuction.
- (7) Only Bidders who request and received admission to an auction and who have submitted a Good Faith Deposit (as defined herein) as required by the terms of this Notice of Sale may submit Bids. Bond Counsel, Municipal Advisor and the Auction Administrator reserve the right to deny access to MuniAuction to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Township, Bond Counsel, Municipal Advisor nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's MuniAuction password.
- (9) If two (2) Bids are submitted in the auction by the same or two or more different Bidders and result in same TIC, the first confirmed Bid received by MuniAuction prevails. Any change to a submitted Bid constitutes a new Bid, regardless of whether there is a corresponding change in TIC.
- (10) Bidders must compare their final Bids to those shown on the Observation Pages immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Pages they must report them to MuniAuction within fifteen (15) minutes after the bidding time period ends. Regardless of the final results reported by MuniAuction, bonds are definitively awarded to winning Bidders only upon official award by the Township. If, for any reason, the Township fails to: (i) award bonds to the winning Bidder reported by MuniAuction, or (ii) deliver bonds to the winning Bidders at settlement, neither Bond Counsel, Municipal Advisor nor the Auction Administrator will be liable for damages.

Definitions

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| "Bid" | any confirmed purchase offer received by MuniAuction on or before the auction deadline. |
| "Bidder" | any firm registered with either MuniAuction or Grant Street and approved for participation in auctions. |

- "True Interest Cost" true interest cost shall be computed in each instance by determining the interest rate, compounded semi-annually, necessary to discount the debt service payments to the date of the bonds and to the price bid, excluding interest accrued to the delivery date. The True Interest Cost serves as the basis for awarding bonds to winning Bidders.
- "Winning Bid" any purchase offer made by a Bidder by clicking the "Submit Bid" button and received by MuniAuction which, at the end of the bidding time period, results in the lowest TIC which is acceptable to the Township.

Bid Procedure and Basis of Award

Subject to the right reserved by the Township to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid produces the lowest TIC for the Township and otherwise complies with the Notice of Sale.

Bids must remain valid until at least 2:00 p.m., prevailing time, on the date of the sale, and if accepted by the Township, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Township will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

Bid Security and Method of Payment for Bonds

A Good Faith Deposit (the "Good Faith Deposit") in the form of a certified or cashier's check, wire transfer (wiring instructions can be obtained from the Township's Municipal Advisor) or a Financial Surety Bond in the amount of \$342,600, payable to the order of the Township, is required for each bid to be considered. If a check is used, it must be a certified treasurer's or cashier's check and must be provided to the Township prior to the time for bids to be submitted. Each bidder accepts responsibility for delivering such check on time and the Township is not responsible for any check that is not received on time. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of New Jersey and approved by the Director of the Division of Government Services of New Jersey (the "Director") and such bond must be submitted to the Township prior to the opening of the bids at the address referred to above. At present, the Director has approved the use of Sure-Bid, a division of Financial Security Assurance Inc. Use of any other Financial Surety Bond must be approved by the Director prior to the bid and will not be accepted by the Township unless evidence of such approval is provided prior to the bid. The Financial Surety Bond must identify the bidder whose Good Faith Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser (the "Purchaser") is required to submit its Good Faith Deposit to the Township by wire transfer as instructed by the Township not later than 3:30 p.m. on the next business day following the award. If such Good Faith Deposit is not received by that time, the Financial Surety Bond may be drawn by the Township to satisfy the Good Faith Deposit requirement. No interest on the Good Faith Deposit will accrue to the Purchaser. The Good Faith Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Good Faith Deposit will be retained by the Township. Award of the Bonds to the successful

Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but such successful Bidder may not withdraw its proposal until after 2:00 p.m. of the Bid Date and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Township on or about June 28, 2018.

Right to Reject Bids; Waive Irregularities

The Township reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

Delivery of the Bonds

The Bonds will be delivered on or about June 28, 2018 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS PUBLISHED ON MUNIAUCTION NOT LATER THAN 2 HOURS PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New York City at DTC against payment of the purchase price therefor (less the amount of the Good Faith Deposit) in Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Township relating to the official statement.

Establishment of Issue Price for the Bonds

In the event the Township receives at least three (3) bids for the Bonds, then the Issue Price for the Bonds shall be established based on the reasonably expected initial offering prices of the Bonds as of the Delivery Date (the "Expected Offering Prices"). The Expected Offering Prices shall consist of the prices for each maturity of the Bonds used by the winning bidder in formulating its bid to purchase the Bonds. The winning bidder shall be required to deliver on the Delivery Date a certificate to such effect, and provide to the Township, in writing, the Expected Offering Prices as of the Delivery Date.

In the event the Township receives fewer than three (3) bids for the Bonds, then the Issue Price for the Bonds shall be established based on the first price at which at least 10% of each maturity of the Bonds was sold to the Public (as defined below). The winning bidder shall be required to deliver on the Delivery Date a certificate to such effect, and provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of such sales prices for each maturity of the Bonds. In the event that the winning bidder has not sold at least 10% of each maturity of the Bonds to the Public as of the Delivery Date (each, an "Unsold Maturity"), the winning bidder shall (i) provide to the Township, in writing, on the Delivery Date, the Expected Offering Prices for each Unsold Maturity and a certificate regarding same and (ii) have a continuing obligation to provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of the first price at which at least 10% of each Unsold Maturity is sold to the Public, contemporaneous with each such sale, until at least 10% of all such Unsold

Maturities have been sold to the Public.

Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (as defined herein) or a related party to an Underwriter. The term "related party" generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly. Underwriter means (i) any person that agrees pursuant to a written contract with the Township (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

CUSIP Numbers

CUSIP numbers will be applied for with respect to the Bonds, but the Township will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the winning Bidder. There will only be one CUSIP required to be assigned to each annual maturity of the issue.

Legal Opinion

The approving opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, will be furnished without cost to the winning Bidder.

Postponement

The Township reserves the right to postpone, from time to time, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED ON MUNIAUCTION, BEFORE 10:00 A.M. ON THE BID DATE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via MuniAuction at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity in all respects with the provisions of this Notice of Sale, except for the date of sale and except for the changes announced on MuniAuction at the time the sale date and time are announced.

Additional Information

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Township. The Notice of Sale and the POS may be viewed on MuniAuction. However, the Township makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniAuction, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from Bond Counsel or the Municipal Advisor at the addresses and phone numbers stated

above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator at (412) 391-5555 (ext. 370 Auction Support). Additional information relating to the financing of the Township can be obtained by contacting the undersigned Acting Chief Financial Officer or Chief Financial Officer at (732) 762-8120 ext. 2600 or email at percolano@twp.maplewood.nj.us.

TOWNSHIP OF MAPLEWOOD

By: Paulette Ercolano, Acting Chief Financial Officer

Dated: June 5, 2018