

**COUNTY OF SUSSEX
STATE OF NEW JERSEY**

**NOTICE OF SALE
\$30,000,000 BOND ANTICIPATION NOTES, SERIES 2018**

NON-CALLABLE

Proposals are being solicited for the purchase of \$30,000,000 aggregate principal amount of Bond Anticipation Notes, Series 2018, dated June 25, 2018 and maturing June 24, 2019 (the "Notes") of the County of Sussex, State of New Jersey (the "County") either (a) via Telecopy (609-291-9940), Hand Delivery or Mail received by Phoenix Advisors, LLC, the Municipal Advisor to the County of Sussex, State of New Jersey (the "County"), at 4 West Park Street, Bordentown, New Jersey 08505, or (b) electronically via PARITY® in the manner described below under the heading "Procedures Regarding Electronic Proposals" on **Wednesday, June 13, 2018** until 11:00 a.m., New Jersey time.

The Notes have been authorized pursuant to the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented and bond ordinances duly adopted by the Board of Chosen Freeholders of the County and published as required by law. The proceeds from the Notes will provide for the purpose of (i) the current refunding of \$26,694,000 aggregate principal amount of bond anticipation notes of the County, dated June 27, 2017 and maturing June 27, 2018 (the "Prior Notes"), (ii) the temporary financing of various capital improvements and purposes in and for the County in the amount of \$6,707,000 and (iii) the payment of the costs of issuance associated with the Notes.

The Notes will be dated June 25, 2018, will mature June 24, 2019 and will bear interest commencing June 25, 2018 at the rate of interest per annum as specified in the successful proposal therefor in accordance herewith (calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year). The Notes are not subject to redemption prior to maturity. Entities making proposals for the Notes may (i) be participants of The Depository Trust Company, New York, New York ("DTC") or affiliated with its participants, or (ii) purchase for its own account and not with a view to distribution and resale. The Notes may be issued in registered, bearer or book-entry only form and will be payable as to both principal and interest in lawful money of the United States of America by the County or a duly appointed paying agent. The Notes may also be registered in the name of and held by Cede & Co., as nominee of DTC, which may act as securities depository for the Notes (the "Securities Depository"). The Note certificate may be on deposit with DTC. DTC may be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants may be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$1,000 or any integral multiple thereof through book entries made in the books and records of DTC and its participants.

Each proposal submitted must specify a single rate of interest per annum to be borne by the Notes. Each proposal must state the purchase price of the Notes to be purchased, which shall not be less than \$30,000,000. The Notes shall be awarded to the purchaser on whose proposal the issuance thereof may be made at the lowest net interest cost to the County. If two or more proposals offer the same lowest net interest cost, the sale of the Notes will be awarded to the entity making the proposal which is selected by lot from among all such entities making such proposals.

The right is reserved to reject all proposals, and any proposals not complying with the terms of this notice or specifying additional conditions will be rejected. The right is also reserved to waive any irregularities or informalities in proposals submitted on the Official Form of Proposal for Notes.

Award or rejection of the proposals for the Notes is expected to be made within two (2) hours after receipt of the proposals, but such potential purchaser may not withdraw its proposal until after 3:00 p.m. of the day the County receives the proposals and then only if such award has not been made prior to the withdrawal.

The Notes will be delivered on June 25, 2018. PAYMENT FOR THE NOTES AT THE TIME OF ORIGINAL ISSUANCE AND DELIVERY SHALL BE BY WIRE TRANSFER OF IMMEDIATELY AVAILABLE FUNDS.

Each proposal must be submitted on June 13, 2018 by 11:00 am by (A) completing the Official Form of Proposal for Notes (attached as Exhibit A), which may be (i) enclosed in a sealed envelope and marked on the outside "Proposal for Notes" and hand delivered to the County Treasurer c/o Phoenix Advisors, LLC, the Municipal Advisor to the County, at 4 West Park Street, Bordentown, New Jersey 08505, (ii) enclosed in a sealed envelope and marked on the outside "Proposal for Notes" and mailed to the County Treasurer c/o Phoenix Advisors, LLC, the Financial Advisor to the County, at 4 West Park Street, Bordentown, New Jersey 08505, or (iii) sent via facsimile to the County c/o Phoenix Advisors, LLC, the Municipal Advisor to the County at 609-291-9940, or (B) by electronic submission via PARITY® as described further under the heading "Procedures Regarding Electronic Proposals"

Establishment of Issue Price (10% Test to Apply if Competitive Sale Requirements are Not Satisfied)

1. The successful bidder shall assist the County in establishing the issue price of the Notes and shall execute and deliver to the County at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, as described below under "Documents to be Delivered at Closing." All actions to be taken by the County under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the County by the County's Municipal Advisor identified herein and any notice or report to be provided to the County may be provided to the County's Municipal Advisor.

2. The County intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (a) the County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (b) all bidders shall have an equal opportunity to bid;
- (c) the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (d) the County anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid. By submitting a bid, bidders are deemed to have certified that they have an established industry reputation as a regular purchaser or underwriter of tax-exempt obligations such as the Notes.

3. In the event that the competitive sale requirements are not satisfied, the County shall so advise the successful bidder. The County shall treat the first price at which 10% of the Notes (the "10% test") is sold to the public as the issue price of the Notes. The successful bidder shall advise the County if the Notes satisfy the 10% test as of the date and time of the award of the Notes. The County will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of the Notes as the issue price of the Notes if the competitive sale requirements are not satisfied. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that the Notes will be subject to the 10% test in order to establish the issue price of the Notes.

4. If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to the Notes, the successful bidder agrees to promptly report to the County the prices at which the unsold

Notes have been sold to the public. This reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Notes.

5. By submitting a bid, each bidder confirms that: (a) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder that the 10% test has been satisfied as to the Notes, if and for so long as directed by the successful bidder and as set forth in the related pricing wires, and (b) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder or such underwriter that the 10% test has been satisfied as to the Notes, if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

6. Sales of the Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (a) “public” means any person other than an underwriter or a related party,
- (b) “underwriter” means (i) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) to participate in the initial sale of the Notes 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 Notes to the public),
- (c) a purchaser of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (d) “sale date” means the date that the Notes are awarded by the County to the successful bidder.

The successful bidder shall be obligated to furnish to the County within forty-eight (48) hours prior to the Closing Date a certificate (the “Issue Price Certificate”), substantially in one the forms attached hereto as Exhibits B or C, as applicable, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the County and Bond Counsel. In the event that the Notes shall be held by the successful bidder for investment and not be offered for resale to the public, the successful bidder shall specify on such Issue Price Certificate the purchase price being paid by the successful bidder to the County, which purchase price shall be at least equal to the fair market value price of the Notes.

The obligation hereunder to deliver and to accept the Notes shall be conditioned on the availability and the delivery at the time of delivery of the Notes of (a) the approving legal opinion of the law firm of Archer & Greiner P.C., Red Bank, New Jersey (“Bond Counsel”), which will be furnished without cost to the purchaser of the Notes, such opinion to be substantially in the form set forth in the hereinafter defined Preliminary Official Statement distributed in connection with the sale of the Notes to the effect that (i) the Notes are valid and

legally binding obligations of the County and, unless paid from other sources, all the taxable property within the County will be subject to the levy of *ad valorem* taxes for the payment of the principal of the Notes and the interest thereon without limitation as to rate or amount, (ii) interest on the Notes is excluded from gross income for Federal income tax purposes under current law if the County complies with all conditions subsequent contained in the Internal Revenue Code of 1986, as amended (the "Code"), except to the extent that interest on the Notes held by a corporate taxpayer is included in the income computation for calculation of the corporate alternative minimum tax, and (iii) interest on the Notes and any gain on the sale thereof is not includable as gross income under the existing New Jersey Gross Income Tax Act, (b) certificates, in form satisfactory to Bond Counsel, evidencing the proper execution and delivery of the Notes, the receipt of payment therefor and compliance with the requirements of the Code necessary to preserve Federal tax exemption, (c) a certificate, in form and tenor satisfactory to Bond Counsel and dated as of the date of delivery of the Notes, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of the Notes, and (d) a Certificate of Compliance with Secondary Market Disclosure Requirements for the Notes evidencing the County's undertaking to provide notice of certain enumerated events pursuant to Rule 15c2-12, specifically subsection (d)(3) and (b)(5)(i)(C), promulgated by the Securities and Exchange Commission pursuant to the provisions of the Securities Exchange Act of 1934, as amended and supplemented. A description of this undertaking is set forth in the Preliminary Official Statement. A copy of such approving legal opinion will be delivered with the Notes.

The County has authorized the distribution of a Preliminary Official Statement (the "Preliminary Official Statement"), "deemed final" as of its date for purposes of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended and supplemented. The Preliminary Official Statement may be viewed electronically at www.munihub.com. In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD"), dealer banks with The Depository Trust Company, New York, New York (the "DTC") clearing arrangements or entities wishing to make a proposal may either: (a) print out a copy of the Preliminary Official Statement on their own printer, or (b) at any time prior to 11:00 a.m. on June 13, 2018, elect to receive a photocopy or electronic link to the Preliminary Official Statement by contacting the County Bond Counsel, John M. Cantalupo, Esq., Archer & Greiner P.C., at Riverview Plaza, 10 Highway 35, Red Bank, New Jersey 07701, or by telephone at (732) 268-8009 or by email at jcantalupo@archerlaw.com. All Entities making a proposal must review the Preliminary Official Statement and by submitting a proposal will certify that they did so prior to submitting their proposal. Final Official Statements will be delivered to the purchaser of the Notes within the earlier of seven (7) business days following the award of the Notes or to accompany the purchasers' confirmations that request payment for the Notes, such Official Statement to be dated as of the date of the award of the Notes. The Successful Purchaser will be furnished upon request, without cost, with a reasonable number of copies of the Official Statement, which number shall not exceed 50. Neither the County, the Bond Counsel or the Municipal Advisor is responsible to any Entity making a proposal for any defect or inaccuracy in the Preliminary Official Statement as it appears on www.munihub.com.

The purchaser may at its option refuse to accept the Notes if prior to their delivery any change in the Code, shall provide that the interest thereon is taxable or shall be taxable at a future date for Federal income tax purposes. In such case, the purchaser may be relieved of its contractual obligations arising from the acceptance of its proposal.

It shall be the responsibility of the purchaser to have CUSIP identification numbers issued for the Notes. The request for the assignment of CUSIP identification numbers and the CUSIP Service Bureau charge therefor shall be the responsibility of and shall be paid for by the purchaser. CUSIP identification numbers must be communicated to Bond Counsel within twenty-four (24) hours of the award of the Notes to have the CUSIP identification numbers printed on the Notes.

All proposals which are submitted electronically via PARITY® pursuant to the procedures described below shall be deemed to constitute a "Proposal for Notes" and shall be deemed to incorporate by reference all of the terms and conditions of this Notice of Sale. The submission of a proposal electronically via PARITY® shall constitute and be deemed to be the signature of the entity making the proposal on the Proposal for Notes.

Procedures Regarding Electronic Proposals

Proposals may be submitted electronically via PARITY® in accordance with this Notice of Sale, until 11:00 a.m. on the June 13, 2018, but no proposal will be received after the time for receiving proposals specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY®, potential purchasers may contact the County's Municipal Advisor, Anthony P. Inverso of Phoenix Advisors, LLC, 4 West Park Street, Bordentown, New Jersey 08505, or by telephone at (609) 291-9940 or email at ainverso@muniadvisors.com) or PARITY® at 212-404-8102. In the event that a proposal for the Notes is submitted via PARITY®, the entity making a proposal further agrees that:

If the proposal submitted electronically via PARITY® is accepted by the County, the terms of the proposal for the Notes and this Notice of Sale, as well as the information that is electronically transmitted through PARITY®, shall form a contract and the successful purchaser shall be bound by the terms of such contract.

PARITY® is not an agent of the County, and the County shall have no liability whatsoever based on any entity making a proposal's use of PARITY®, including but not limited to any failure by PARITY® to correctly or timely transmit information provided by the County or information provided by the entity making a proposal.

The County may choose to discontinue use of receiving proposals electronically via PARITY® by issuing a notification to such effect via Thomson News Service ("TM3") no later than 3:00 p.m. on the last business date prior to the June 13, 2018.

Once the proposals are communicated electronically via PARITY® to the County, as described above, each proposal will constitute a proposal for the Notes and shall be deemed to be an irrevocable offer to purchase the Notes on the terms provided in this Notice of Sale.

Each entity making a proposal shall be solely responsible to make necessary arrangements to access PARITY® for purposes of submitting its proposal in a timely matter and in compliance with the requirements of this Notice of Sale. Neither the County nor PARITY® shall have any duty or obligation to provide or assure access to any entity making a proposal, and neither the County nor PARITY® shall be responsible for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The County is using PARITY® as a communication mechanism, and not as the County's agent, to conduct the electronic receipt of proposals for the Notes. By using PARITY®, each entity making a proposal agrees to hold the County harmless for any harm or damages caused to such entity making a proposal in connection with its use of PARITY® to make a proposal on the Notes.

Additional information relating to the financing of the County can be obtained by contacting the undersigned County Treasurer/Chief Financial Officer at (973) 579-0300 ext. 1129; the County's Municipal Advisor, Anthony P. Inverso, Phoenix Advisors, LLC, 4 West Park Street, Bordentown, New Jersey 08505, or by telephone at (609) 291-0130 or email at ainverso@muniadvisors.com; or the County's Bond Counsel, John M. Cantalupo, Esq., Archer & Greiner P.C., Riverview Plaza, 10 Highway 35, Red Bank, New Jersey 07701, or by telephone at (732) 268-8009 or email at jcantalupo@archerlaw.com.

/s/ Robert J. Maikis, Jr.

Robert J. Maikis, Jr.
County Treasurer/Chief Financial Officer
County of Sussex
State of New Jersey

Dated: June 6, 2018

EXHIBIT A

**OFFICIAL FORM OF PROPOSAL FOR
COUNTY OF SUSSEX, STATE OF NEW JERSEY
\$30,000,000 BOND ANTICIPATION NOTES, SERIES 2018**

June 13, 2018

VIA FACSIMILE 609-291-9940

Robert J. Maikis, Jr.
County Treasurer
c/o Phoenix Advisors, LLC,
4 West Park Street
Bordentown, New Jersey 08505
Attn: Anthony P. Inverso

Dear County Treasurer:

Subject to the provisions of the Notice of Sale (the "Notice") which is made a part hereof, we offer to purchase the Bond Anticipation Notes, Series 2018 (the "Notes") described in such Notice in the principal amount of \$30,000,000 at a purchase price of \$_____, provided that the Notes bear interest at the rate per annum of _____%. We do hereby certify that we have reviewed the Preliminary Official Statement dated June 6, 2018 regarding the issuance of the Notes.

Name of Entity
Making Proposal: _____

Address: _____

Authorized
Signatory: _____

Name: _____

Phone Number: _____

Email: _____

Please supply the following for informational purposes only and not as part of the foregoing proposal:

Net Interest Cost: \$ _____

Net Interest Rate: _____%

EXHIBIT B

ISSUE PRICE CERTIFICATE
(Competitive Sale Form – Notes)

_____ of _____, New Jersey (the “Issuer”)
\$_____ Bond Anticipation Notes

The undersigned, on behalf of _____ (the “SHORT NAME OF UNDERWRITER”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Notes”).

1. Reasonably Expected Initial Offering Price

(a) As of the Sale Date, the reasonably expected initial offering prices and yields of the Notes to the Public by [SHORT NAME OF UNDERWRITER] are the prices and yields listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Notes used by [SHORT NAME OF UNDERWRITER] in formulating its bids to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Notes.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Notes.

2. Defined Terms

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity dated but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is [ISSUE DATE].

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes 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 Notes 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 Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Archer & Greiner P.C., Bond Counsel in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service's Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Very truly yours,

[UNDERWRITER]

Dated: [Issue Date]

By: _____
(Duly Authorized Officer)

SCHEDULE A
EXPECTED OFFERING PRICES AND YIELDS

SCHEDULE B

COPY OF UNDERWRITER'S BID

EXHIBIT C

ISSUE PRICE CERTIFICATE
(Actually Sold Form – Notes)

_____ of _____, New Jersey (the “Issuer”)
\$_____ Bond Anticipation Notes

The undersigned, on behalf of _____ (the “SHORT NAME OF UNDERWRITER”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”).

1. Sale of the Notes. [As of the date of this certificate, the Underwriter has not sold at least 10% of all Maturities of the Notes at a single price and agrees once it has sold at least 10% of all Maturities of the Notes at a single price, it will provide a Supplemental Issue Price Certificate to the Township and Bond Counsel]. [As of the date of this certificate, for each Maturity of the Notes, the first price and yield at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price and yield listed in Schedule A.]

2. Defined Terms

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity dated but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person that agrees pursuant to a written contact with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes 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 Notes 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 Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Archer & Greiner P.C., Bond Counsel in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service’s Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Very truly yours,

[UNDERWRITER]

Dated: [Issue Date]

By: _____
(Duly Authorized Officer)

SCHEDULE A
SALE PRICES AND YIELDS