

**NOTICE OF BOND SALE  
BOROUGH OF MILLTOWN  
IN THE COUNTY OF MIDDLESEX, NEW JERSEY  
\$15,034,000\* GENERAL OBLIGATION BONDS, SERIES 2018  
consisting of:  
\$8,834,000\* General Improvement Bonds, Series 2018A,  
\$2,325,000\* Water/Sewer Improvement Bonds, Series 2018B, and  
\$3,875,000\* Electric Improvement Bonds, Series 2018C  
BOOK ENTRY ISSUE (CALLABLE)**

NOTICE IS HEREBY GIVEN that ELECTRONIC BIDS, via BiDCOMP/PARITY Competitive Bidding System (BiDCOMP/Parity) (the “Proposals”) will be received by the Borough of Milltown, County of Middlesex, New Jersey (the “Borough” or the “Issuer”) for the purchase of its \$15,034,000\* General Obligation Bonds, Series 2018, consisting of \$8,834,000\* General Improvement Bonds, Series 2018A, \$2,325,000\* Water/Sewer Improvement Bonds, Series 2018B, and \$3,875,000\* Electric Improvement Bonds, Series 2018C (the “Bonds” or the “Securities”). All bids must be submitted prior to 11:00 a.m., New Jersey time on April 25, 2018 (the “Sale Date”), consistent with the procedures related to the use of BiDCOMP/Parity described in Annex I of this Notice of Sale. The Bonds are due on May 1st of each year as follows:

Maturity (May 1st)	General Improvement Bonds, Series 2018A <u>Principal Amount*</u>	Water/Sewer Improvement Bonds, Series 2018B <u>Principal Amount*</u>	Electric Improvement Bonds, Series 2018C <u>Principal Amount*</u>	Combined <u>Maturity*</u>
2019	\$279,000	\$75,000	\$125,000	\$479,000
2020	275,000	75,000	125,000	475,000
2021	275,000	75,000	125,000	475,000
2022	275,000	75,000	125,000	475,000
2023	275,000	75,000	125,000	475,000
2024	275,000	75,000	125,000	475,000
2025	310,000	75,000	125,000	510,000
2026	520,000	150,000	125,000	795,000
2027	550,000	150,000	125,000	825,000
2028	550,000	150,000	250,000	950,000
2029	550,000	150,000	250,000	950,000
2030	550,000	150,000	250,000	950,000
2031	550,000	150,000	250,000	950,000
2032	550,000	150,000	250,000	950,000
2033	550,000	150,000	250,000	950,000
2034	500,000	150,000	250,000	900,000
2035	500,000	150,000	250,000	900,000
2036	500,000	100,000	250,000	850,000
2037	500,000	100,000	250,000	850,000
2038	500,000	100,000	250,000	850,000
	\$8,834,000	\$2,325,000	\$3,875,000	\$15,034,000

\*Preliminary, subject to change as described herein.

PLEASE SEE ANNEX I OF THIS NOTICE OF SALE FOR FURTHER DETAILS REGARDING, AMONG OTHER THINGS, THE ELECTRONIC BIDDING PROCESS AND THE AVAILABILITY OF THE BOROUGH'S PRELIMINARY OFFICIAL STATEMENT IN ELECTRONIC FORMAT.

The Bonds will be dated the date of delivery (which is expected to be May 10, 2018) (the "Dated Date" and the "Closing Date") and will bear interest from said date at the rate per annum specified by the successful bidder therefor in accordance herewith, payable semi-annually on November 1st and May 1st of each year until maturity commencing November 1, 2018 (or on the next business day if any such interest payment date is not a business day) and are subject to redemption prior to maturity. Interest on the Bonds will be calculated on the basis of twelve 30-day months/360-day year. The Bonds will be issued in fully registered form and will be payable as to both principal and interest in lawful money of the United States of America. The Bonds will be issued in book-entry only form with one certificate and one CUSIP for the aggregate principal amount of the Bonds maturing in each year, registered in the name of The Depository Trust Company, New York, New York ("DTC"), or its nominee of Cede & Co., as securities depository for the Bonds. So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to Cede & Co., as nominee for DTC, except as otherwise provided in any agreement between the Borough and DTC. Disbursements of such payments to DTC Participants are the responsibility of DTC and disbursements of such payments to the actual purchasers of the Bonds are the responsibility of the DTC Participants. Individual ownership interests will be in the amount of \$1,000 or any integral multiple thereof (with a minimum purchase of \$5,000 required) except for the final maturity which may contain a denomination other than \$1,000 if the maturity does not equal a multiple of \$1,000. Unless paid from other sources, the Bonds are payable from *ad valorem* taxes levied upon all taxable property within the Borough for the payment of the principal of and interest on the Bonds, without limitation as to rate or amount.

The Bonds will not be designated "Qualified Tax-Exempt Obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Bonds maturing prior to May 1, 2027 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after May 1, 2027 are redeemable at the option of the Borough in whole or in part, on any date on or after May 1, 2026 at par, plus unpaid accrued interest to the date fixed for redemption.

Notice of Redemption shall be mailed by first-class mail, with postage prepaid, to the registered owners of the Bonds or portions thereof which are to be redeemed, not less than thirty (30) but not more than sixty (60) the date fixed for redemption, at their respective addresses as they last appear on the registration books of the Borough kept for that purpose. So long as DTC (or any successor thereto) acts as depository for the Bonds, notice of redemption shall be sent to such depository and shall not be sent to the Beneficial Owners of the Bonds. Any failure of such 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 Borough determines to redeem a portion of the Bonds prior to maturity, such Bonds shall be selected by the Borough (or the Paying Agent, if any). The Bonds to be

redeemed having the same maturity shall be selected by the securities depository in accordance with its regulations.

All bidders for the Bonds must be participants of DTC or affiliated with its participants. Bidders may bid to purchase the Bonds from the Borough with a bid premium payable to the Borough in an amount not to exceed \$1,503,400. **Please note the expectation of the Borough to adjust the amount of Bonds downward to the amount needed by the Borough, as described below.** No Bid shall be considered that offers to pay an amount less than the total principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest True Interest Cost to the Borough under any legally acceptable Bid.

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%). If more than one rate of interest is named the difference between the highest rate and the lowest rate may not exceed three percent (3%) per annum and not more than one rate may be named for the Bonds of the same maturity. There is no limitation on the number of rates of interest that may be named. Bidders may not designate a maturity or maturities as a term bond(s). Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest true interest cost to the Issuer (“True Interest Cost” or “TIC”). The True Interest Cost for the Bonds (expressed as an annual interest rate) shall be computed by determining the interest rate, compounded semiannually, necessary to discount the debt service payments to the Dated Date of the Bonds, and resulting in an amount equal to the bid price, not including accrued interest, if any.

In the event that two or more bidders have bid the same True Interest Cost, the award shall be made by lot. The successful bidder (also referred to herein as the “Purchaser”) also must pay an amount equal to the interest on such Bonds accrued from the Dated Date of the Bonds to the date of payment of the purchase price, if any.

**Change of Bid Date and Closing Date.** The Borough reserves the right to postpone, from time to time, the date established for the receipt of bids and will undertake to notify registered prospective Bidders via notification published on Thomson Municipal Market Monitor (“TM3”) ([www.tm3.com](http://www.tm3.com)) and/or BiDCOMP/Parity. Prospective Bidders may request notification by facsimile transmission of any such changes in the date or time for the receipt of bids by so advising, and furnishing their telecopier numbers to the Borough’s Municipal Advisor, Phoenix Advisors, LLC, Bordentown, New Jersey (the “Municipal Advisor”) at telephone number (609) 291-0130 by 12:00 Noon, New Jersey time, on the day prior to the announced date for receipt of bids. In addition, the Borough reserves the right to make changes to this Notice of Sale. Such changes will be announced on TM3 and/or BiDCOMP/Parity.

A postponement of the bid date will be announced via TM3 not later than 11:00 a.m., New Jersey time, on the last business day prior to any announced date for receipt of bids, and an alternative sale date and time will be announced via TM3 and/or BiDCOMP/Parity by Noon, New Jersey time, not less than forty-eight (48) hours prior to such alternative date for receipt of bids.

On any such alternative date and time for receipt of bids, the Borough will accept electronic bids for the purchase of the Bonds, such bids to conform in all respects to the provisions of this Notice of Sale, except for the changes in the date and time for receipt of bids and any other changes announced via TM3 and/or BiDCOMP/Parity at the time the date and time for receipt of bids are announced.

**Changes to the Winning Bid.** The Borough may and expects to, after the receipt and opening of bids, adjust the maturity schedule of the Bonds to adjust the amount of bonds to the amount needed by the Borough when considering the bid premium, provided however, that (i) 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 as adjusted will not exceed the amount authorized by the Ordinances. The dollar amount bid by the successful bidder shall be adjusted to reflect any adjustments in the aggregate principal amount of 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 change the per bond underwriter's discount as calculated from the bid and the Initial Public Offering Prices required to be delivered to the Borough as stated herein. The Borough shall notify the successful bidder of the final maturity schedule and the resulting adjusted purchase price no later than 5:00 p.m., New Jersey time, on the day of the sale and award of the Bonds. The interest rate or rates specified by the successful bidder for each maturity will not be altered.

**Bid Security and Method of Payment for Bonds.** A Good Faith Deposit ("Deposit") in the form of a certified or cashier's or treasurer's check, wire transfer or a Financial Surety Bond in the amount of \$300,680, payable to the order of the Borough, is required for each Bid to be considered. **Wire instructions may be obtained by contacting Anthony P. Inverso, Municipal Advisor, at telephone number (609) 291-0130 or ainverso@muniadvisors.com, prior to 10:30 a.m., prevailing New Jersey time on the Sale Date, and such wire must be received and confirmed by the Borough prior to the time for bids to be submitted. If a check is used, it must be a certified or cashier's or treasurer's check and must be provided to the Borough prior to the time for Bids to be submitted at the following address: Denise Biancamano, Chief Financial Officer, Borough of Milltown, 39 Washington Avenue, Milltown, NJ 08850. Each Bidder accepts responsibility for delivering such check or wire on time and the Borough is not responsible for any check or wire 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 Local Government Services in the New Jersey Department of Community Affairs (the "Director") and such bond must be submitted to the Borough 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 Borough unless evidence of such approval is provided prior to the Bid.**

The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond. The successful bidder for the Bonds is required to submit its Deposit to the Borough by wire transfer not later than 3:30 p.m. on the next business day following the

award. If such deposit is not received by that time, the Financial Surety Bond may be drawn by the Borough to satisfy the Deposit requirement. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the Borough.

Award of the Bonds to the successful bidder therefor or rejection of all bids is expected to be made by 2:00 p.m., but the successful bidder may not withdraw its proposal until 4:00 p.m. on the Sale Date and then only if such award has not been made prior to the withdrawal. When the successful bidder has been ascertained, all such Deposits will be promptly returned to the persons making them, except the Deposit of the successful bidder, which will be applied in part payment for the Bonds or to partially secure the Borough from any loss resulting from the failure of the successful bidder to comply with the terms of its bid. No interest will be paid upon any Deposits, including the Deposit made by the successful bidder.

The Borough reserves the right to reject all bids, and any bid not complying with the terms of this Notice may be rejected. The Borough reserves the right to waive any irregularity or informality in any or all proposals.

Responsibility for the proper transmission of the bid is solely that of the bidder.

The Bonds will be delivered and the Purchaser thereof must accept delivery and tender full payment therefor on or about the Closing Date at the offices of the Borough's Bond Counsel, GluckWalrath LLP, Red Bank, New Jersey ("Bond Counsel"), or at such other place and date as may be agreed to by and in the sole discretion of the Borough. PAYMENT FOR THE BONDS AT THE TIME OF ORIGINAL ISSUANCE AND DELIVERY SHALL BE IN IMMEDIATELY AVAILABLE FUNDS.

### **ESTABLISHMENT OF ISSUE PRICE**

(a) The winning bidder of the Bonds shall assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer 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 Bonds, together with the supporting pricing wires or equivalent communications, substantially in the forms reflected as Exhibits A or B, which are incorporated by reference herein and are available from Bond Counsel and shall be posted with the Notice of Sale on Parity, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. All actions to be taken by the Issuer under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Municipal Advisor and any notice or report to be provided to the Issuer may be provided to the Municipal Advisor or Bond Counsel.

(b) The Issuer 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 Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

(1) the Issuer shall disseminate this Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the Issuer may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or 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 Bonds, as specified in the bid.

(c) In the event that paragraph (c) does not apply and the Competitive Sale Requirements are satisfied, the winning bidder must complete Exhibit A, and the provisions of paragraphs (d)-(h) below shall not apply.

(d) In the event that paragraph (c) does not apply and the Competitive Sale Requirements are not satisfied, the Issuer shall so advise the winning bidder and the winning bidder must complete Exhibit B. The Issuer may determine to treat (i) the first price at which 10% of a Maturity of the Bonds (the “10% test”) is sold to the Public as the issue price of that Maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the “hold-the-offering-price rule”), in each case applied on a Maturity-by-Maturity basis (and if different interest rates apply within a Maturity, to each separate CUSIP number within that Maturity). Immediately following the award of the Bonds, the winning bidder shall advise the Issuer if any Maturity of the Bonds satisfies the 10% test. Any Maturity (and if different interest rates apply within a Maturity, any separate CUSIP number within that Maturity) of the Bonds as to which the winning bidder has not so advised the Issuer that the 10% test has been satisfied shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the hold-the-offering-price rule applies to any Maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(e) By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the Underwriters participating in the purchase of the Bonds, that the Underwriters will neither offer nor sell unsold Bonds of any Maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5<sup>th</sup>) business day after the Sale Date; or

(2) the date on which the Underwriters have sold at least 10% of that Maturity of the Bonds to the Public at a price that is no higher than the initial

offering price to the Public.

The winning bidder shall promptly advise the Issuer when the Underwriters have sold 10% of that Maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

(f) If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each Maturity of the Bonds, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Bonds of that Maturity have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that Maturity or until all Bonds of that Maturity have been sold.

(g) The Issuer acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Issuer further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(h) By submitting a bid, each bidder confirms that: (i) 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 Bonds 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 (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among Underwriters relating to the initial sale of the Bonds 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 Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the

10% test has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

(i) Sales of any Bonds 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:

(i) “Public” means any person other than an Underwriter or a related party,

(ii) “Underwriter” means (A) 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 Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) 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),

(iii) a purchaser of any of the Bonds 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

(iv) “Sale Date” means the date that the Bonds are awarded by the Issuer to the winning bidder.

By submitting a Bid, the Bidder is confirming that it has an established industry reputation for underwriting new issuances of municipal bonds, thereby completing the full requirements of the competitive sale requirements assuming that at least 3 bidders submit bids.

### **ADDITIONAL MATTERS**

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the Purchaser and any increased costs of issuance of the Bonds resulting by reason of such insurance, unless otherwise paid, shall be paid by the Purchaser. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the Purchaser of any contractual obligation arising from the acceptance of its proposal for



the purchase of the Bonds. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or a refusal by the Purchaser thereof to accept delivery of and to pay for the Bonds in accordance with its proposal for the purchase of the Bonds. All expenses relating to the printing of CUSIP numbers on the Bonds shall be paid for by the Purchaser.

The Purchaser may at its option refuse to accept the Bonds if prior to their delivery any income tax law of the United States of America shall provide that the interest thereon is taxable, or shall be taxable at a future date, for Federal income tax purposes, and in such case the deposit made by the Purchaser will be returned and the Purchaser will be relieved of its contractual obligations arising from the acceptance of its proposal. The Purchaser should consult with its own tax advisors as to the ultimate tax impact of the ownership of the Bonds.

The Borough has issued an Official Statement with respect to the sale of the Bonds in preliminary form (the "Preliminary Official Statement"). The Borough, by accepting the proposal submitted by the successful bidder, (a) certifies to the successful bidder as of the date of acceptance of such proposal, that the Preliminary Official Statement furnished prior to the date of such acceptance has been "deemed final" as of its date by the Borough within the meaning of Rule 15c2-12, promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12"), except for certain omissions permitted thereunder and except for changes permitted by other applicable law; (b) agrees to provide the successful bidder, in order to permit the successful bidder to comply with Rule 15c2-12, with a reasonable number of copies of the final Official Statement adopted by the Borough in relation to the sale by the Borough of the Bonds within the period of time allowed under Rule 15c2-12, at the sole cost and expense of the Borough, with any additional copies which the successful bidder shall reasonably request to be provided at the sole cost and expense of the successful bidder; and (c) agrees to deliver on the Closing Date a Continuing Disclosure Certificate to be dated as of the Closing Date pursuant to which the Borough shall agree to provide at the times and to the information repositories and other persons described in Rule 15c2-12 the financial or operating data required to be disclosed on a continual basis pursuant to Rule 15c2-12.

The obligations hereunder to deliver and accept the Bonds shall be conditioned on the availability and delivery at the time of delivery of the Bonds of (a) the approving opinion of Bond Counsel, which will be furnished without cost to the Purchaser, to the effect that the Bonds are valid and legally binding obligations of the Borough and that all the taxable property in the Borough will be subject to the levy of *ad valorem* taxes to pay the Bonds and interest thereon without limitation as to rate or amount, and that interest on the Bonds is excluded from gross income for Federal income tax purposes under current law if the Borough complies with all conditions subsequent contained in the Internal Revenue Code of 1986, as amended (the "Code"), except that such interest is included in the adjusted current earnings of certain corporations for the purpose of calculating the corporate alternative minimum tax, and that interest on the Bonds is not includable in gross income under the New Jersey Gross Income Tax Act, such opinions to be substantially in the form set forth in the Official Statement distributed in preliminary form in connection with the sale of the Bonds; (b) certificates in the form and tenor satisfactory to Bond Counsel evidencing the proper execution and delivery of the Bonds, the receipt of payment therefor, and the compliance with the requirements of the Code necessary to

preserve the exclusion of interest on the Bonds from gross income under the Code; (c) a certificate in the form and tenor satisfactory to Bond Counsel and dated as of the date of such delivery, 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 Bonds; and (d) payment, in IMMEDIATELY AVAILABLE FUNDS, from the Purchaser to the Borough of the full amount of the price bid plus accrued interest from the Dated Date of the Bonds to the Closing Date, if any, less the amount of the Deposit.

Copies of this Notice of Sale and the Preliminary Official Statement may be obtained from [www.munihub.com](http://www.munihub.com) or from the Municipal Advisor and additional information on the Bond Sale may be obtained from the Municipal Advisor at phone number (609) 291-0130. By order of the Mayor and Borough Council of the Borough of Milltown, in the County of Middlesex, New Jersey.

BOROUGH OF MILLTOWN, IN THE  
COUNTY OF MIDDLESEX, NEW JERSEY  
/s/ Denise Biancamano  
Denise Biancamano, Chief Financial Officer

Dated: April 18, 2018

**EXHIBIT A**

**BOROUGH OF MILLTOWN, IN THE COUNTY OF MIDDLESEX, NEW JERSEY**

**\$15,034,000 GENERAL OBLIGATION BONDS, SERIES 2018, CONSISTING OF:  
\$8,834,000 GENERAL IMPROVEMENT BONDS, SERIES 2018A,  
\$2,325,000 WATER/SEWER IMPROVEMENT BONDS, SERIES 2018B, AND  
\$3,875,000 ELECTRIC IMPROVEMENT BONDS, SERIES 2018C**

**ISSUE PRICE CERTIFICATE  
(Competitive Sale Requirement Satisfied)**

The undersigned, on behalf of \_\_\_\_\_ (the “Underwriter”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Sale of the Bonds.***

All Maturities of the Bonds have been the subject of a bona fide initial offering to the public.

2. ***Reasonably Expected Initial Offering Price.***

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

(b) The Underwriter was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Underwriter constituted a firm offer to purchase the Bonds.

(d) The aggregate of the Initial Offering Prices is \$ \_\_\_\_\_ (par amount of \$ \_\_\_\_\_, plus net original issue premium/discount of \$ \_\_\_\_\_).

(e) The reoffering yield of the Bonds is \_\_\_\_%, based on the issue price reflected in paragraph 2(d).

[(f) The Issuer has obtained a bond insurance policy from \_\_\_\_\_. (“\_\_\_\_\_”) in respect of the Bonds. Based on our experience with bonds similar to the Bonds (i) the bond insurance was an important factor in marketing the Bonds and (ii) the absence of the insurance would have materially affected in an adverse manner the interest rates at which the Bonds could have been sold. The insurance policy will be issued for a premium of \$ \_\_\_\_\_ which is net of any credits or rating agency fees. No portion of the premium represents the indirect payment of costs of issuance, including rating agency fees or the provision of additional services by \_\_\_\_\_. The present value of the insurance is less than the present value of the interest reasonably expected to be saved as a result of using the insurance to secure the Bonds, using as a discount rate the yield on the Bonds, calculated with treating the premiums as interest.]

3. *Defined Terms.*

(a) *Issuer* means the Borough of Milltown, in the County of Middlesex, New Jersey.

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

(c) *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.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 25, 2018.

(e) *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 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). Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the 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 Issuer’s Tax or Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by GluckWalrath LLP, bond counsel to the Issuer, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**

**SCHEDULE B**

**COPY OF UNDERWRITER'S BID**

*(Attached)*

**EXHIBIT B**

**BOROUGH OF MILLTOWN, IN THE COUNTY OF MIDDLESEX, NEW JERSEY**

**\$15,034,000 GENERAL OBLIGATION BONDS, SERIES 2018, CONSISTING OF:  
\$8,834,000 GENERAL IMPROVEMENT BONDS, SERIES 2018A,  
\$2,325,000 WATER/SEWER IMPROVEMENT BONDS, SERIES 2018B, AND  
\$3,875,000 ELECTRIC IMPROVEMENT BONDS, SERIES 2018C**

**ISSUE PRICE CERTIFICATE  
(Competitive Sale Requirement Satisfied)**

The undersigned, on behalf of \_\_\_\_\_ (the “Underwriter”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”). Select appropriate provisions below:

**1. *Sale of the Bonds.***

All Maturities of the Bonds have been the subject of a bona fide initial offering to the public.

**2. *Initial Offering Price of the Bonds.***

(a) As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A (“Actual Sale Prices”). The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Notice of Sale and bid award, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

(c) The aggregate of the Actual Sale Prices and Initial Offering Prices is \$ \_\_\_\_\_ (par amount of \$ \_\_\_\_\_, plus net original issue premium/discount of \$ \_\_\_\_\_).

(d) The reoffering yield of the Bonds is \_\_\_\_\_%, based on the issue price reflected in paragraph 2(c).

[(e) The Issuer has obtained a bond insurance policy from \_\_\_\_\_. (“\_\_\_”) in respect of the Bonds. Based on our experience with bonds similar to the Bonds (i) the bond insurance was an important factor in marketing the Bonds and (ii) the absence of the insurance would have materially affected in an adverse manner the interest rates at which the Bonds could have been sold. The insurance policy will be issued for a premium of \$\_\_\_ which is net of any credits or rating agency fees. No portion of the premium represents the indirect payment of costs of issuance, including rating agency fees or the provision of additional services by \_\_\_. The present value of the insurance is less than the present value of the interest reasonably expected to be saved as a result of using the insurance to secure the Bonds, using as a discount rate the yield on the Bonds, calculated with treating the premiums as interest.]

### 3. *Defined Terms.*

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities”.

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities”.

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Borough of Milltown, in the County of Middlesex, New Jersey.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *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.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 25, 2018.

(h) *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 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).

The representations set forth in this certificate are limited to factual matters only.



Nothing in this certificate the 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 or Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by GluckWalrath LLP, bond counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_

**SCHEDULE A**

*(Attached)*

<b>Maturity Date</b>	<b>Par Amount</b>	<b>Rate</b>	<b>GR or HTP*</b>	<b>Issue Price</b>
<b>Total</b>				

\*GR - General Rule  
HTP – Hold the Offering Price

**SCHEDULE B**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**  
*(Attached)*

## ANNEX I

### **PROVISIONS RELATED TO USE OF BiDCOMP/PARITY**

Bids may be submitted electronically via PARITY in accordance with this Notice of Sale, until 11:00 a.m., New Jersey time, on the Sale Date but no bid will be received after the time for receiving bids 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 bidders may contact PARITY at (212) 849-5021. In the event that a bid for the Bonds is submitted via PARITY, the bidder further agrees that:

1. The Borough may regard the electronic transmission of the bid through PARITY (including information about the purchase price of the Bonds, the interest rate or rates to be borne by the various maturities of the Bonds, the initial public offering price of each maturity and any other information included in such transmission) as though the same information were submitted directly to the Borough and executed by a duly authorized signatory of the bidder. If a bid submitted electronically by PARITY is accepted by the Borough, the terms of the Proposal for Bonds and this Notice of Sale and the information that is electronically transmitted through PARITY shall form a contract, and the successful bidder shall be bound by the terms of such contract.

2. PARITY is not an agent of the Borough, and neither the Borough, Bond Counsel nor Municipal Advisor shall have no liability whatsoever based on any bidder's use of PARITY, including but not limited to any failure by PARITY to correctly or timely transmit information provided by the Borough or information provided by the bidder.

3. The Borough may choose to discontinue use of electronic bidding via PARITY by issuing a notification to such effect via TM3 News Services and/or BiDCOMP/Parity, or by other available means, no later than 3:00 p.m. (New Jersey Time) on the last business date prior to the Sale Date.

4. Once the bids are communicated electronically via PARITY to the Borough as described above, each bid will constitute a Proposal for Bonds and shall be deemed to be an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale. For purposes of submitting all Proposal for Bonds, the time as maintained on PARITY shall constitute the official time.

5. Each bidder choosing to bid electronically shall be solely responsible to make necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Borough, Bond Counsel, Municipal Advisor nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure access to any qualified prospective bidder, and neither the Borough, Bond Counsel, Municipal Advisor 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 Borough is using PARITY as a communication mechanism, and not as the Borough's agent, to conduct the electronic bidding for the Bonds. By

using PARITY, each bidder agrees to hold the Borough, Bond Counsel and Municipal Advisor harmless for any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the Bonds.

### **Preliminary Official Statement**

The Preliminary Official Statement may be accessed via the Internet at [www.munihub.com](http://www.munihub.com). A printed version is also available upon request made to the Municipal Advisor, Anthony P. Inverso, Phoenix Advisors, LLC, 4 West Park Street, Bordentown, New Jersey 08505 (telephone (609) 291-0130).