

Re: **Notice of Sale of \$58,675,000 Bond Anticipation Notes consisting of \$22,895,000 General Improvement Bond Anticipation Notes, Series 2014B (Tax-Exempt), \$30,380,000 Sewer Utility Bond Anticipation Notes, Series 2014C (Tax-Exempt), \$2,200,000 Special Emergency Notes, Series 2014D (Tax-Exempt) and \$3,200,000 Sewer Utility Bond Anticipation Notes, Series 2014E (Federally Taxable) of the Township of Hamilton, in the County of Mercer, New Jersey**

To Whom It May Concern:

Proposals are being solicited for the above issue of the Township of Hamilton, in the County of Mercer, New Jersey (the "Township") \$58,675,000 Bond Anticipation Notes consisting of \$22,895,000 General Improvement Bond Anticipation Notes, Series 2014B (Tax-Exempt) (the "Series 2014B Notes"), \$30,380,000 Sewer Utility Bond Anticipation Notes, Series 2014C (Tax-Exempt) (the "Series 2014C Notes"), \$2,200,000 Special Emergency Notes, Series 2014D (Tax-Exempt) (the "Series 2014D Notes", and together with the Series 2014B Notes and the Series 2014C Notes, for a total amount of \$55,475,000, the "Tax-Exempt Notes") and \$3,200,000 Sewer Utility Bond Anticipation Notes, Series 2014E (Federally Taxable) (the "Series 2014E Notes" or the "Taxable Notes", and together with the Tax-Exempt Notes, the "Notes") for the purchase at not less than par of the Notes through a fair and open process in accordance with N.J.S.A. 40A:4-72 and 40A:2-28. All bids will be publicly opened and announced by the Chief Financial Officer, at the Township, 2090 Greenwood Avenue, Hamilton, New Jersey 08650. Bids will be received either (a) via facsimile, at 609-890-4418, attention: John Barrett, Chief Financial Officer of the Township, or (b) electronically via PARITY[®] in the manner described below under the heading "Procedures Regarding Electronic Bidding" on **August 21, 2014 (the "Bid Date")** until 11:00 a.m., New Jersey time. A separate proposal must be submitted for each of the Tax-Exempt Notes and the Taxable Notes, and the selection of the winning bidder will be made separately for each of the Tax-Exempt Notes and the Taxable Notes. It is anticipated that separate CUSIP numbers will be assigned to each of the Tax-Exempt Notes and the Taxable Notes. The Chief Financial Officer of the Township and its Financial Advisor, Phoenix Advisors, LLC, will evaluate the bids on the basis of the lowest net interest cost to the Township. The telephone number for the Chief Financial Officer is 609-890-3510. **The Notes will be dated August 28, 2014 and will mature on June 11, 2015.**

Bids Delivered By Fax. If a bidder wishes to transmit its bid by fax, it must be accompanied by a cover sheet stating clearly "PROPOSAL FOR NOTES", and such bidder hereby acknowledges that such faxed bid will not be reviewed by the Township until the public opening of bids as aforesaid. Bids delivered by facsimile transmission must be on the official bid forms attached hereto as Exhibit A, signed by the bidder, and sent to Fax No. 609-890-4418, Attention: John Barrett.

All bids 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 bid electronically via PARITY[®] shall constitute and be deemed to be the bidder's signature on the Proposal for Notes.

Warnings: A bid submitted by facsimile transmission will not be considered timely unless, at the deadline for submission of bids, the entire bid form has been received by the receiving fax machines. The official time for receipt of bids will be determined by the Township at the place of bid opening, and the Township shall not be required to accept any bidder's fax machine time-stamp as evidence of a timely bid. Neither the Township, the Financial Advisor nor the law firm of GluckWalrath LLP ("Bond Counsel") shall be responsible for, and the bidder expressly assumes the

risk of, any incomplete or untimely bid submitted by facsimile transmission by such bidder, including, without limitation, by reason of garbled transmission, mechanical failure, engaged telephone or telecommunications lines, or any other cause arising from delivery by facsimile transmission rather than by hand. Bidders may call 609-890-3510 to confirm receipt of their bids; however the Township takes no responsibility for informing any bidder prior to the time for receiving bids that its bid is incomplete, illegible or not received.

A separate proposal must be submitted for each of the Tax-Exempt Notes and the Taxable Notes, and the selection of the winning bidder will be made separately for each of the Tax-Exempt Notes and the Taxable Notes. Bids submitted must offer to purchase all of the Tax-Exempt Notes or all of the Taxable Notes (as the case may be) and the purchase price specified in the proposal must be not less than \$55,475,000 (in the case of the Tax-Exempt Notes) or \$3,200,000 (in the case of the Taxable Notes). Bids must state a multiple of one-hundredth (1/100 of 1%) or one-eighth (1/8 of 1%) of a rate or rates of interest per annum which such Notes shall bear. The Notes will bear interest at a rate or rates within the limits prescribed by law and the interest is payable at maturity. No proposal for less than par will be considered. **THE TAX-EXEMPT NOTES AND THE TAXABLE NOTES WILL BE SEPARATELY AWARDED AND SOLD TO THE BIDDER(S) COMPLYING WITH THE TERMS OF SALE AND OFFERING TO PURCHASE THE TAX-EXEMPT NOTES OR THE TAXABLE NOTES (AS THE CASE MAY BE) AT THE LOWEST NET INTEREST COST, AND IF TWO OR MORE SUCH BIDDERS OFFER THE SAME LOWEST NET INTEREST COST, THEN TO THE ONE OF SAID BIDDERS SELECTED BY THE CHIEF FINANCIAL OFFICER BY LOT FROM AMONG ALL SAID BIDDERS OR BY ALLOCATION IN THE MANNER DIRECTED BY THE CHIEF FINANCIAL OFFICER.** The Chief Financial Officer and the Township's Financial Advisor shall choose the method to resolve any bidding tie. The right is reserved to reject any or all bids, and any bid not complying with the terms of this Notice of Sale shall be rejected. Award of the Tax-Exempt Notes and the Taxable Notes is expected to be made promptly after opening of the bids, but the successful bidder may not withdraw its proposal until two hours after the time set forth above on the day of such bid opening and then only if such award has not been made prior to the withdrawal.

Procedures Regarding Electronic Bidding. Bids may be submitted electronically via PARITY[®] in accordance with this Notice of Sale, until 11:00 a.m., New Jersey time on the Bid 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 the Township's financial advisor (using the contact information set forth in the final paragraph of this Notice of Sale) or PARITY[®] at 212-849-5023. In the event that a bid for the Notes is submitted via PARITY[®], the bidder further agrees that:

1. The Township may regard the electronic transmission of the bid through PARITY[®] (including information about the purchase price of each series of Notes, the interest rate or rates to be borne by each series of Notes and any other information included in such transmission) as though the same information were submitted on the Proposal for Notes provided by the Township and executed and submitted by a duly authorized representative of the bidder. If the bid submitted electronically via PARITY[®] is accepted by the Township, the terms of the bid 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 Bidder(s) shall be bound by the terms of such contract.

2. PARITY[®] is not an agent of the Township, and the Township 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 Township or information provided by the bidder.

3. The Township may choose to discontinue use of electronic bidding via PARITY[®] by issuing a notification to such effect via Thomson News Service ("TM3") no later than 3:00 p.m. (New Jersey time) on the last business date prior to the Bid Date.

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

5. Each bidder shall be solely responsible to make necessary arrangements to access PARITY[®] for purposes of submitting its bid in a timely matter and in compliance with the requirements of this Notice of Sale. Neither the Township, the Financial Advisor, nor PARITY[®] shall have any duty or obligation to provide or assure access to any bidder, and neither the Township, the Financial 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 Township is using PARITY[®] as a communication mechanism, and not as the Township's agent, to conduct the electronic bidding for the Notes. By using PARITY[®], each bidder agrees to hold the Township harmless for any harm or damages caused by such bidder in connection with its use of PARITY[®] for bidding on the Notes.

Clarification Prior to the Opening of Bids. The Township may, in its sole discretion and prior to the opening of the bids clarify any term hereof, including without limitation, its decision to discontinue use of electronic bidding via PARITY[®], by issuing a notification of the clarification via TM3, or any other available means, no later than 3:00 p.m. on the last business day prior to the Bid Date.

The Township further reserves the right to postpone, from time to time, the Bid Date. Any such postponement will be announced by TM3, or any other available means, not later than 9:00 a.m., New Jersey time, on the Bid Date. Any such alternative Bid Date and the time at which bids are due will be announced via TM3, or any other available means, at least 48 hours before bids are due on the alternative Bid Date. On any such alternative Bid Date, bidders shall submit Proposals for Notes in conformity with all of the requirements hereof, other than the date of submission and sale and any further or contrary provisions set forth in such announcement, which further or contrary provisions must be complied with by all bidders.

The Notes will be non-callable general obligations of the Township payable ultimately from *ad valorem* taxes levied upon all taxable property within the Township to the extent that payment is not otherwise provided. The Notes of each series will bear interest (payable at maturity and calculated on the basis of a 30-day month, 360-day year) at the rate specified by the successful bidder. The full faith and credit of the Township will be pledged for the punctual payment, in accordance with their terms, of the principal of and the interest on the Notes. The Tax-Exempt Notes will **not** be "qualified tax-exempt obligations" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended. No opinion will be rendered regarding the taxability of interest on the Taxable Notes for federal income tax purposes. Interest on the Notes and any gain from the sale thereof will be excludable from gross income under the New Jersey Gross Income Tax Act.

Delivery of the Notes will be on or about August 28, 2014. Payment shall be in immediately available funds.

The Preliminary Official Statement is deemed to be a "final Official Statement" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, but is subject to (a) completion with certain pricing and other information to be made available to the successful bidder, and (b) amendment. The Preliminary Official Statement, as so revised, will constitute the final Official Statement.

In order to assist bidders in complying with SEC Rule 15c2-12, the Township will undertake pursuant to a Continuing Disclosure Certificate, to provide notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

No later than seven business days following the award of the Notes, the Township will provide the successful bidder with a reasonable number of copies of the final Official Statement, provided that all information necessary to complete the final Official Statement is supplied to the Township within twenty-four (24) hours after the award of the Notes.

It is anticipated that CUSIP identification numbers will be printed on the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes in accordance with the terms of this Notice of Sale. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Township; provided, however, that the CUSIP Service Bureau charge for the assignment of said number shall be the responsibility of and shall be paid for by the successful bidder. It is anticipated that separate CUSIP numbers will be assigned to each of the Tax-Exempt Notes and the Taxable Notes.

As a condition to the delivery of the Notes, the successful bidder will be required to execute a receipt therefor containing a certification that either (i) all of the Notes have been the subject of an initial public offering, and at least ten percent (10%) of the Notes have been sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriter or wholesaler) at such initial offering price or prices as would produce a yield to the purchaser(s) thereof equal to a stated percent per annum, and it has no reason to believe that any of the Notes have been or will be initially sold to the public at a lower yield than aforesaid, or (ii) it has not reoffered the Notes to the public and has no present intention to reoffer the Notes to the public.

In addition, the successful bidder will be required to furnish on behalf of the underwriter(s) of the Notes the following information by facsimile transmission or overnight delivery received within twenty-four (24) hours after the award of the Notes: (a) the initial public offering price or yield (expressed as percentages) of the series of Notes purchased, (b) selling compensation (aggregate total anticipated compensation to the underwriter(s) expressed in dollars), (c) the identity of the underwriter(s) if the successful bidder is part of a group or syndicate, and (d) any other information necessary to complete the final Official Statement but not known to the Township.

A Preliminary Official Statement will be posted on the internet and can be downloaded at www.prospectushub.com. Potential bidders may also obtain a copy of the Preliminary Official Statement by contacting the Township's Financial Advisor, Anthony Inverso at Phoenix Advisors, LLC at (609) 291-0130.

The successful bidder of each series of Notes is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("ELEC") pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c.271, s.3) if the successful bidder enters into agreements or contracts, such as its agreement to purchase the Notes of such series, with a public entity, such as the Township and receives compensation or fees in excess of \$50,000 in the aggregate from public entities, such as the Township, in a calendar year. It is the successful bidder's responsibility to determine if filing is necessary. Failure to do so can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at (888) 313-3532 or at www.elec.state.nj.us.

Very truly yours,

/s/ John Barrett
John Barrett, Chief Financial Officer

August 12, 2014

EXHIBIT A

PROPOSAL FOR TAX-EXEMPT NOTES

August 21, 2014

Mr. John Barrett
Chief Financial Officer
Township of Hamilton, in the County of Mercer, New Jersey
2090 Greenwood Avenue
Hamilton, New Jersey

Dear Mr. Barrett:

Subject to the provisions of the "Notice of Sale", which is attached hereto and considered a part hereof, we will pay the sum of \$_____ (**not less than \$55,475,000, which represents the total par amount of the Tax-Exempt Notes, defined herein**) for the \$22,895,000 General Improvement Bond Anticipation Notes, Series 2014B (Tax-Exempt), \$30,380,000 Sewer Utility Bond Anticipation Notes, Series 2014C (Tax-Exempt) and \$2,200,000 Special Emergency Notes, Series 2014D (Tax-Exempt) and (collectively, the "Tax-Exempt Notes"), due June 11, 2015 and as described in the notice, provided the Tax-Exempt Notes bear interest at the following interest rate per annum:

Interest Rate

_____%

Bidder

Authorized Signature

Name

Telephone Number

Each Bidder is requested to supply the following for informational purposes only and such information is not part of the bid:

Aggregate amount of interest on the Tax-Exempt Notes	\$ _____
Less: amount of premium	\$ _____
Net interest cost	\$ _____
Net interest rate	_____%

PROPOSAL FOR TAXABLE NOTES

August 21, 2014

Mr. John Barrett
Chief Financial Officer
Township of Hamilton, in the County of Mercer, New Jersey
2090 Greenwood Avenue
Hamilton, New Jersey

Dear Mr. Barrett:

Subject to the provisions of the "Notice of Sale", which is attached hereto and considered a part hereof, we will pay the sum of \$ _____ (**not less than \$3,200,000**) for the \$ _____ Sewer Utility Bond Anticipation Notes, Series 2014E (Federally Taxable) (the "Taxable Notes") due June 11, 2015 and as described in the notice, provided the Taxable Notes bear interest at the following interest rate per annum:

Interest Rate

_____ %

Bidder

Authorized Signature

Name

Telephone Number

Each Bidder is requested to supply the following for informational purposes only and such information is not part of the bid:

Aggregate amount of interest on the Taxable Notes \$ _____
Less: amount of premium \$ _____
Net interest cost \$ _____
Net interest rate _____ %