

## NOTICE OF BOND SALE

\$6,900,000

CHAUTAUQUA UTILITY DISTRICT  
CHAUTAUQUA COUNTY, NEW YORK  
PUBLIC IMPROVEMENT SERIAL BONDS, 2018

Dated Date: August 1, 2018

Maturity Dates: August 1, 2019-2048, inclusive

Sale Date: July 18, 2018

Bids Accepted Until: 11:00 A.M. (Prevailing Time)

Location: Capital Markets Advisors, LLC  
4211 North Buffalo Road, Suite 19  
Orchard Park, New York 14127

Sealed proposals or, at the option of bidders, electronic proposals delivered via facsimile or via Ipreo's Parity electronic bid submission system ("Parity") will be received at the offices of Capital Markets Advisors, LLC (the "Municipal Advisor"), 4211 North Buffalo Road, Suite 19, Orchard Park, New York 14127 (Phone: 716.662.3910, Fax: 716.662.6684) and considered by the undersigned District Treasurer (or her designated agent) of the Chautauqua Utility District, Chautauqua County, New York (the "District"), as outlined above for the purchase of \$6,900,000 Public Improvement Serial Bonds, 2018 of the District (the "Bonds"). Proceeds of the Bonds, along with \$1,100,000 of budgetary appropriations, will be used to redeem and retire an outstanding bond anticipation note of the District, maturing on August 2, 2018, that was issued to finance a capital improvements project consisting of the reconstruction, rehabilitation and renovation, in part, and the construction of improvements and upgrades to the existing sanitary sewer treatment plant (and the site thereon).

The Bonds will be valid and legally binding general obligations of the District, for the payment of which the District has pledged its faith and credit. Unless paid from other sources or charges, the Bonds are payable from special *ad valorem* levies on all real property in the District to pay the principal of the Bonds and the interest thereon, without limitation as to rate or amount (subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York). The New York State Constitution requires the District to pledge its faith and credit for the payment of the principal of the Bonds and the interest thereon, and to make annual appropriations for the amounts required for the payment of such interest and the redemption of the Bonds. The Constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the Bonds and certain other obligations of the District, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes. The District Treasurer may be required to set apart and apply such revenues as aforesaid at the suit of any holder of the Bonds.

The Bonds are payable in annual installments which, together with interest thereon, are expected to provide for substantially level or declining annual debt service with respect to the Bonds, as defined and described in paragraph d of Section 21.00 of the New York Local Finance Law, on August 1 in each year as follows:

### **MATURITIES**

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2019	\$145,000	2034	\$220,000
2020	150,000	2035	230,000
2021	150,000	2036	240,000
2022	160,000	2037	245,000
2023	165,000	2038	250,000
2024	165,000	2039	265,000
2025	170,000	2040	270,000
2026	175,000	2041	280,000
2027	180,000	2042	285,000
2028	185,000	2043	300,000
2029	195,000	2044	310,000
2030	200,000	2045	315,000
2031	205,000	2046	330,000
2032	210,000	2047	340,000
2033	215,000	2048	350,000

\*Amounts are subject to adjustment by the District in accordance with Section 58.00(c)(2) of the Local Finance Law.

The District, after approval of Bond Counsel, may, after selecting the successful bidder as provided herein, and by 4:00 o'clock P.M. (Prevailing Time) on the Sale Date, adjust such installments of principal to the extent necessary to meet the requirements of substantially level or declining annual debt service. Any such adjustment shall be conclusive, and shall be binding upon the successful bidder.

The Bonds maturing on or before August 1, 2026 are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 2027 will be subject to redemption prior to maturity, at the option of the District, on any date on or after August 1, 2026, in whole or in part, and if in part in any order of their maturity and in any amount within a maturity, at the redemption price of 100% of the par amount of the Bonds to be redeemed, plus accrued interest to the date of redemption.

The District may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the District shall determine to be in the best interest of the District at the time of such redemption. If less than all of the Bonds of any maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by the District at random (by lot or in any other customary manner of selection as determined by the District). Notice of such call for redemption shall be given by mailing such notice to the registered owner(s) of the Bonds to be redeemed not more than sixty (60) days nor less than thirty (30) days prior to the designated redemption date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date of redemption set forth in such call notice, become due

and payable, together with accrued interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

The District may provide conditional notice of redemption, which may state that such redemption is conditioned upon the receipt of moneys and/or any other event. If any such condition is not satisfied, such redemption shall not occur, and the District is to give notice thereof, as soon as practicable, in the same manner, to the same person(s), as notice of such redemption was given as described above. Additionally, any such redemption notice may be rescinded by the District no later than one business day prior to the date specified for redemption, by written notice by the District given in the same manner, to the same person(s), as notice of such redemption was given.

The Bonds will be dated August 1, 2018, will mature on August 1 in the years and amounts stated above (subject to adjustment, as stated) and will bear interest payable on August 1, 2019 and semi-annually thereafter on February 1 and August 1 in each year until maturity (or earlier redemption). The record date of the Bonds will be the fifteenth day of the calendar month preceding each respective interest payment date.

The Bonds will be issued in registered form by means of a book-entry system, and no physical distribution of bond certificates will be made to the public. One bond certificate for each maturity will be issued to the Depository Trust Company, New York, New York (“DTC”) or its nominee and will be immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of \$5,000 or any integral multiple thereof, with transfer of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, shall be required to deposit the bond certificates with DTC, registered in the name of Cede & Co., its nominee, to be held in trust until maturity (or earlier redemption). Interest on the Bonds and the principal of the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for such transfer of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

**THE BONDS WILL BE DEEMED DESIGNATED BY THE DISTRICT AND WILL BE TREATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” PURSUANT TO SECTION 265(b)(3)(D)(ii) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).**

Each proposal must be for all of the Bonds and may state different rates of interest for Bonds maturing in different calendar years; provided, however, that (1) only one rate of interest may be bid for all Bonds maturing in any one calendar year and (2) all rates of interest bid must be stated in a multiple of one-eighth or one-hundredth of one percentum per annum. No proposed purchase price may be less than the total par value of the Bonds. No proposal for less than all of the Bonds will be considered. The date of delivery is currently anticipated to be the same as the dated date. If the date of delivery changes, the successful bidder shall be obligated to pay the price bid plus accrued interest, if any, on the Bonds from August 1, 2018 to the date of delivery.

Each proposal must be either (1) enclosed in a sealed envelope that is marked on the outside "Proposal for \$6,900,000 Public Improvement Serial Bonds, 2018", and be addressed as follows to the Sale Officer, viz.: Sylvia Faust, Treasurer of the Chautauqua Utility District, c/o Capital Markets Advisors, LLC, 4211 North Buffalo Road, Suite 19, Orchard Park, New York 14127 or (2) be submitted electronically via Parity. In the case of a facsimile bid, neither the District nor its agents will assume liability for any inability of the bidder to reach the above-named fax number prior to the time of sale outlined above; time of receipt will be the time recorded by the facsimile receiver. In the case of a Parity bid, each qualified prospective bidder shall be solely responsible for making the 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 Bond Sale. If any provisions of this Notice of Bond Sale shall conflict with information provided by Parity, as an approved provider of electronic bidding services, this Notice of Bond Sale shall control. Further information about Parity, including any fee charged, may be obtained from Parity at 212.849.5021. The time maintained by Parity shall constitute the official time with respect to all bids submitted. Prospective bidders wishing to submit electronic bids via Parity must be contracted customers of Parity. Bidders not having a contract with Parity may call 212.849.5021 to become a customer.

As a condition precedent to the consideration of a proposal, a good faith deposit (the "Deposit") in the form of a certified or cashier's check or wire transfer in the amount of \$34,500 payable to the order of the District is required. If a check is used, it must be drawn upon an incorporated bank or trust company to the order of the "Chautauqua Utility District" and must accompany the bid. If a wire transfer is used, it must be sent to the account so designated by the District for such purpose, not later than 10:00 A.M. on the date of the sale and the wire transfer reference number must be provided on the "Proposal for Bonds" that is utilized when the bid is submitted. Bidders are instructed to contact Capital Markets Advisors, LLC, 4211 North Buffalo Road, Suite 19, Orchard Park, New York 14127 (Phone: 716.662.3910, Fax: 716.662.6684), the District's Municipal Advisor, no later than 24 hours prior to the bid opening to obtain the District's wire instructions. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. The check or wire transfer deposited by the bidder to whom the Bonds are awarded will be retained by the District and the amount thereof will be applied as provided by law. No interest will be allowed upon the Deposit. The right is reserved to reject any or all bids, and except as hereinafter provided, any bid not complying in all material respects with the terms of this notice may be rejected.

Unless all bids are rejected, the Bonds will be awarded to the bidder complying with the terms of sale and offering to purchase the Bonds at such rate or rates of interest as will produce the lowest true interest cost for the District (assuming that all of the Bonds will be held to maturity). True interest cost shall be determined for each bid by doubling the semi-annual interest rate, compounded semi-annually, necessary to discount all interest and principal payments from the payment dates thereof to the dated date of the Bonds, so that the sum of the present value of such payments equals the price bid, excluding interest accrued to the date of delivery. The true interest cost shall be calculated from the dated date of the Bonds. In the event that the District receives two or more bids specifying the same lowest true interest cost, then the successful bidder shall be selected by the District Treasurer by lot from among all such bidders. Notwithstanding anything herein to the contrary, the District reserves the right to waive any technical defects, omissions or other deficiencies in the form of any proposal submitted for consideration.

Award of the Bonds to a successful bidder, or rejection of any bids, is expected to be made promptly after the opening of the bids, but a successful bidder may not withdraw its proposal until after 5:00 o'clock P.M. (Prevailing Time) on the day of such bid-opening and then only if such award has not been made prior to the withdrawal.

If the Bonds qualify for the issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefor shall be at the sole option and expense of such bidder and any increased costs of issuance of the Bonds resulting by reason of the same, unless otherwise paid, shall be paid by such bidder. Any failure of the Bonds to be so insured, or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Bond Sale.

The Bonds must be paid for in federal funds or other funds available for immediate credit in New York, New York on August 1, 2018, or at such other place and time as may be agreed upon with the successful bidder.

THE DISTRICT RESERVES THE RIGHT TO CHANGE THE DATE AND TIME FOR THE OPENING OF BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN ONE HOUR PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF BOND SALE DISSEMINATED VIA TM3. IN ADDITION, SUCH NOTICE SHALL BE GIVEN TO THE NEWS MEDIA AND SHALL BE POSTED IN ONE OR MORE DESIGNATED PUBLIC LOCATIONS WITHIN THE DISTRICT AT LEAST ONE HOUR PRIOR TO THE TIME AND DATE SET FOR THE OPENING OF BIDS.

In the event that prior to the delivery of the Bonds, the income received by owners from bonds of the same type and character becomes includable in the gross income of such owners for federal income tax purposes, the successful bidder may, at its election, be relieved of its obligations hereunder to purchase the Bonds and, in such case, the Deposit accompanying its bid will be returned.

The District provides water and sewage services for approximately 1,300 customers, of which approximately 300 are year round residents, primarily within that area of the Town and County of Chautauqua, New York known as the Chautauqua Institution. The debt statement filed pursuant to Section 109.00 of the Local Finance Law in connection with the sale of the Bonds, prepared as of July 3, 2018, shows the average full valuation of real property subject to taxation by the District to be \$1,012,806,790, the debt limit of the District to be \$70,896,475 and the total net indebtedness of the District to be \$8,745,000 (prior to the issuance of the Bonds and after factoring in any applicable exclusions). The issuance of the Bonds will not increase the District's total net indebtedness.

CUSIP identification numbers will be printed on the Bonds if Bond Counsel is provided with such numbers by the close of business on the date of sale of the Bonds, but neither the failure to print such number on any Bond 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 Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the District, provided, however, that the CUSIP Service Bureau charge for the assignment of CUSIP numbers shall be the responsibility of and shall be paid for by the purchaser.

As a condition to the purchaser's obligation to accept delivery of and pay for the Bonds, the purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for the Bonds: (1) a certificate of the District Treasurer certifying that (a) as of the date of the official statement furnished by the District in relation to the Bonds, the official statement did not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the official statement obtained from sources other than the District is not guaranteed as to accuracy, completeness or fairness, the District Treasurer has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to the knowledge of the District Treasurer, since the date of the official statement, there have been no material transactions not in the ordinary course of affairs entered into by the District and no material adverse changes in the general affairs of the District or in its financial condition as shown in the official statement other than as disclosed or contemplated by the official statement, (2) a closing certificate, evidencing receipt for the proceeds of the Bonds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the Bonds, (3) a tax certificate executed on behalf of the District which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Bonds that the District will, among other things, (a) take all actions on its part necessary to cause interest on the Bonds to be excluded from the gross income of the owners thereof for federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereof, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (b) refrain from taking action which would cause interest on the Bonds to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes, and (4) the approving opinion of Hodgson Russ LLP, of Buffalo, New York, Bond Counsel, to the effect that the Bonds are valid and legally binding general obligations of the District for which the District has pledged its faith and credit and, unless paid from other sources or charges, all the real property within the District is subject to the levy of special *ad valorem* taxes to pay the Bonds and interest thereon, without limitation as to rate or amount (subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York).

Bond Counsel will deliver an opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, with certain exceptions described in the body of the official statement prepared by the District in connection with the sale of the Bonds, and that such interest is exempt from New York State and New York City personal income taxes.

The official statement dated July 11, 2018 relating to the Bonds is in a form “deemed final” for purposes of SEC Rule 15c2-12 (the “Rule”), except for the omission therefrom of those items allowable under the Rule.

Any party executing and delivering a bid for the Bonds agrees, if its bid is accepted by the District, to provide to the District in writing, within two business days after the date of such award, all information which the purchaser determines is necessary for it to comply with the Rule, including all necessary pricing and sale information, information with respect to the purchase of bond insurance, if any, and underwriter identification. Within five business days following receipt by the District thereof, the District will furnish to the purchaser, in reasonable quantities as requested by the purchaser, copies of the official statement, updated as necessary, and supplemented to include such information. Failure by the purchaser to provide such information will prevent the District from furnishing the official statements as described above. The District shall not be responsible or liable in any manner for the purchaser’s determination of information necessary to comply with the Rule or the accuracy of any such information provided by the purchaser or for failure to furnish the official statements as described above which results from a failure by the purchaser to provide the aforementioned information within the time specified. Acceptance by the purchaser of the final official statements shall be conclusive evidence of the satisfactory completion of the obligation of the District with respect to the preparation and delivery thereof.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirements”). The Municipal Advisor will advise the winning bidder if the Competitive Sale Requirements were met at the same time it notifies the winning bidder of the award of the Bonds. Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.

The winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Bonds (the “Initial Reoffering Prices”) as of the date of the award.

By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if ten percent of each maturity of the Bonds (as hereinafter defined) is not sold on the Sale Date and if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. Such election must be made on the bid form submitted by each bidder.

For purposes of the “hold the price” or “follow the price” requirement described below, a “maturity” refers to Bonds that have the same interest rate, credit and payment terms.

(1) Hold the Price. The winning bidder:

(a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide the District and Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will neither offer nor sell to any person any Bonds within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least ten percent of the Bonds of such maturity at a price that is no higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Bonds, and

(c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above.

(2) Follow the Price. The winning bidder:

(a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide the District and Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will report to the District and Bond Counsel information regarding the actual prices at which at least ten percent of the Bonds within each maturity of the Bonds have been sold to the public,

(c) will provide the District and Bond Counsel with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Bonds, will continue until such date that ten percent of each maturity of the Bonds has been sold to the public, and

(d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the District and Bond Counsel a certificate (the "Issue Price Certificate"), satisfactory to Bond Counsel, prior to the delivery of the Bonds stating the applicable facts as described above. The form of Issue Price Certificate is available by contacting Bond Counsel or the Municipal Advisor.



For purposes of this Notice, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

Unless the Bonds are purchased for the buyer’s own account, as principal for investment and not for resale, the District will agree in a continuing disclosure undertaking (the “Disclosure Undertaking”) to provide, or cause to be provided, in accordance with the requirements of the Rule, certain financial and other information, as well as timely notice of the occurrence of certain designated events. Reference is made to the official statement for further details regarding the Disclosure Undertaking. A purchaser buying for its own account shall deliver a purchaser’s certificate that documents such intent (in form satisfactory to bond counsel) establishing that an exemption from the Rule applies.

Requests for copies of the official statement of the District relating to the Bonds offered hereby, additional copies of this Notice of Bond Sale or any other additional information may be directed to Capital Markets Advisors, LLC, 4211 North Buffalo Road, Suite 19, Orchard Park, New York 14127, Phone 716.662.3910, Fax 716.662.6684.

Dated: July 11, 2018

Sylvia Faust  
District Treasurer  
Chautauqua Utility District  
Chautauqua County, New York

**PROPOSAL FOR \$6,900,000 PUBLIC IMPROVEMENT SERIAL BONDS, 2018  
CHAUTAUQUA UTILITY DISTRICT  
CHAUTAUQUA COUNTY, NEW YORK**

Sylvia Faust (or her designated agent)  
District Treasurer  
Chautauqua Utility District  
County of Chautauqua, New York  
c/o Capital Markets Advisors, LLC  
4211 North Buffalo Road, Suite 19  
Orchard Park, New York 14127

July 18, 2018

Dear Treasurer Faust:

For the \$6,900,000 PUBLIC IMPROVEMENT SERIAL BONDS, 2018 of the CHAUTAUQUA UTILITY DISTRICT, CHAUTAUQUA COUNTY, NEW YORK, described in the annexed Notice of Bond Sale, the terms of which are hereby made a part of this bid, we will pay par plus a premium of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) and accrued interest to date of delivery, provided that the Bonds maturing in the several years set forth below shall bear interest from their date until maturity (or earlier redemption) at the respective rates per annum stated in the following table:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2019	_____ %	2026	_____ %	2033	_____ %	2041	_____ %
2020	_____ %	2027	_____ %	2034	_____ %	2042	_____ %
2021	_____ %	2028	_____ %	2035	_____ %	2043	_____ %
2022	_____ %	2029	_____ %	2036	_____ %	2044	_____ %
2023	_____ %	2030	_____ %	2037	_____ %	2045	_____ %
2024	_____ %	2031	_____ %	2038	_____ %	2046	_____ %
2025	_____ %	2032	_____ %	2039	_____ %	2047	_____ %
				2040	_____ %	2048	_____ %

The following is our computation of the true interest cost, made as provided in the above-mentioned Notice of Bond Sale, but not constituting any part of the foregoing Proposal for the purchase of \$6,900,000 Bonds under the foregoing Proposal:

Par Amount of the Bonds .....	\$ _____
Add:	
Premium .....	\$ _____
Accrued Interest .....	\$ _____
Target Value for Calculation .....	\$ _____
True Interest Rate .....	_____ %
	(four decimals)

Check ONE of the following:

- We enclose herewith a certified or cashier's check for \$34,500, made payable to the order of the Chautauqua Utility District, which check is to be returned to the undersigned if the bid is not accepted; otherwise to be applied as part payment for the Bonds, or to be retained by the District as and for liquidated damages in case we should not take up and pay for the Bonds in accordance with the terms of this Proposal and the Notice of Bond Sale.

**\*\*\*Proposal Continues on Next Page\*\*\***

**PROPOSAL FOR \$6,900,000 PUBLIC IMPROVEMENT SERIAL BONDS, 2018  
CHAUTAUQUA UTILITY DISTRICT  
CHAUTAUQUA COUNTY, NEW YORK  
(CONTINUED)**

- We sent a Fed wire transfer of \$34,500 to the account of the District designated for such purpose in accordance with the Notice of Bond Sale and instructions provided by the District's Municipal Advisor. The fed wire confirmation number is \_\_\_\_\_ at \_\_\_\_\_.

**Please select one of the following:**

- In the event that 10% or more of each maturity of the Bonds is not sold on the Sale Date and the Competitive Sale Requirements are not met, we hereby elect to:
- Hold the Price
  - Follow the Price

The bidder represents that it has an established industry reputation for underwriting new issuance of municipal bonds.

- Yes
- No

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Financial Institution

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Fax Number

\_\_\_\_\_  
Email Address