

NOTICE OF SALE

THE CITY OF SUMMIT,
IN THE COUNTY OF UNION, NEW JERSEY

\$31,955,000* BONDS
consisting of:

\$26,473,000* GENERAL BONDS OF 2019
\$535,000* CURB AND SIDEWALK ASSESSMENT BONDS OF 2019
\$1,545,000* SEWER BONDS OF 2019
\$2,280,000* PARKING BONDS OF 2019
\$1,122,000* SPECIAL IMPROVEMENT DISTRICT ASSESSMENT BONDS OF 2019

ELECTRONIC BIDS will be received by the Chief Financial Officer of the City of Summit, in the County of Union, New Jersey (the "City"), via the PARITY[®] Electronic Bid System ("PARITY[®]") of i-Deal LLC ("i-Deal") on **Thursday, February 14, 2019** until 11:00 a.m., local time, at which time they will be publicly announced, for the purchase of \$26,473,000* General Bonds of 2019, \$535,000* Curb and Sidewalk Assessment Bonds of 2019, \$1,545,000* Sewer Bonds of 2019, \$2,280,000* Parking Bonds of 2019 and \$1,122,000* Special Improvement District Assessment Bonds of 2019 (collectively, the "Bonds") of the City due on February 15 as follows:

\$26,473,000* General Bonds of 2019, maturing in the principal amount of \$1,563,000 in 2020, \$1,605,000 in 2021, \$1,645,000 in 2022, \$1,690,000 in 2023, \$1,740,000 in 2024, \$1,790,000 in 2025, \$1,845,000 in 2026, \$1,900,000 in 2027, \$1,960,000 in 2028, \$2,020,000 in 2029, \$2,080,000 in 2030, \$2,145,000 in 2031, \$2,210,000 in 2032 and \$2,280,000 in 2033

\$535,000* Curb and Sidewalk Assessment Bonds of 2019, maturing in the principal amount of \$55,000 in each of the years 2020 to 2026, both inclusive and \$50,000 in each of the years 2027 to 2029, both inclusive

\$1,545,000* Sewer Bonds of 2019, maturing in the principal amount of \$90,000 in 2020, \$95,000 each of the years 2021 and 2022, \$100,000 in each of the years 2023 and 2024, \$105,000 in each of the years 2025 and 2026, \$110,000 in 2027, \$115,000 in 2028, \$120,000 in each of the years 2029 and 2030, \$125,000 in 2031, \$130,000 in 2032 and \$135,000 in 2033

\$2,280,000* Parking Bonds of 2019, maturing in the principal amount of \$135,000 in each of the years 2020 and 2021, \$140,000 in 2022, \$145,000 in 2023, \$150,000 in 2024, \$155,000 in 2025, \$160,000 in 2026, \$165,000 in 2027, \$170,000 in 2028, \$175,000 in 2029, \$180,000 in 2030, \$185,000 in 2031, \$190,000 in 2032 and \$195,000 in 2033

\$1,122,000* Special Improvement District Assessment Bonds of 2019, maturing in the principal amount of \$82,000 in 2020 and \$80,000 in each of the years 2021 to 2033, both inclusive

The Bonds of each series shall not have different CUSIP numbers.

* Preliminary, subject to change.

Payment Dates. The Bonds will be dated the date of delivery thereof, and will bear interest at the rate or rates per annum specified by the successful bidder therefor in accordance with this Notice of Sale, payable on February 15 and August 15 in each year until maturity or earlier redemption, commencing August 15, 2019. The record dates for the payment of principal of and interest on the Bonds will be the February 1 and August 1 next preceding each such payment date.

Book-Entry Only. The Bonds will be issued in book-entry form only, initially in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of \$1,000 (with a \$5,000 minimum) and integral multiples thereof. Payments of principal or redemption price, if any, and interest will be made by the City or its agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

Optional Redemption. The Bonds of each series maturing prior to February 15, 2029, are not subject to redemption prior to their stated maturities at the option of the City. The Bonds of each series maturing on or after February 15, 2029, are subject to redemption prior to their stated maturities at the option of the City upon mailed notice, as described in the resolution of the City authorizing the Bonds, in whole or in part, in any order of maturity and by lot within a maturity if less than all the Bonds of such maturity are to be redeemed, on any date on or after February 15, 2028, at a redemption price equal to 100% of the principal amount thereof, together with interest accrued, if any, to the date fixed for redemption.

Bank Qualification. The Bonds **will not** be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Interest Rate and Price Parameters. Each bid must specify in a multiple of 1/8th or 1/20th of 1% the rate or rates of interest which the Bonds are to bear. Not more than one rate of interest maybe specified for the Bonds of the same maturity. There is no limitation on the number of rates of interest that may be specified. The difference between the highest and the lowest rates of interest named shall not exceed 2%. No bid shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale (*i.e.*, \$31,955,000). Any bid premium must not exceed 8% of the principal amount of Bonds offered for sale (*i.e.*, \$2,556,400). The City may, any expects to, after the receipt of bids, adjust the maturity schedule of the Bonds, as set forth in more detail below.

Adjustment of Maturity Schedule. The City may and expects to, after the receipt of bids, adjust the maturity schedule of the Bonds, provided however, that (i) no maturity schedule adjustment shall exceed 10% upward or downward of the principal for any maturity as specified herein, (ii) the aggregate adjustment to the maturity schedule shall not exceed 10% upward or downward of the aggregate principal amount of the Bonds offered for sale and (iii) the aggregate principal amount of the Bonds, as adjusted, will not exceed \$31,955,000. The dollar amount bid by the successful bidder shall be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter’s discount and the original issue premium or discount, but will not change the per bond underwriter’s discount, as calculated from the original bid, and the initial public offering prices required to be delivered to the City.

Basis of Award. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest true interest cost. Such true interest cost shall be computed, as to each bid, by determining the interest rate, compounded semi-annually, necessary to discount the debt service payments to the date of the Bonds and to the price bid. If two (2) or more bidders offer the same lowest true interest cost, then the Bonds will be sold to one (1) of such bidders selected by lot from among all such bidders. The right is reserved to reject any and all bids and, to the extent permitted by law, to waive any irregularity or informality in any bid.

Good Faith Deposit. Each bidder is required to deposit a certified or cashier's or treasurer's check drawn upon a bank or trust company in each case payable to the order of the City of Summit, New Jersey, for \$639,100 (the "Deposit Amount"). In lieu of the foregoing, a bidder may deliver the Deposit Amount via a wire transfer of immediately available funds to the City. Wire instructions may be obtained by contacting the City's Municipal Advisor, Acacia Financial Group, Inc. (the "Municipal Advisor"), Dara Melchionni at dmelchionni@acaciafin.com or 856-234-2266. Such check or wire transfer must be received by the Chief Financial Officer of the City at or before 11:00 a.m., local time, on the bid date at the City Hall, 512 Springfield Avenue, Summit, New Jersey, 07901. No interest on the Deposit Amount will accrue to the successful bidder. The Deposit Amount will be applied in part payment for the Bonds or to secure the City from any loss resulting from the failure of the successful bidder to comply with the terms of its bid.

Award and Closing. Award of the Bonds to the successful bidder, or rejection of all bids, is expected to be made promptly after receipt of the bids, but the successful bidder may not withdraw its bid until after 2:00 p.m., local time, of the day of such bid-receipt and then only if such award has not been made prior to the withdrawal. The Bonds will be delivered and shall be paid for in immediately available funds on or about February 26, 2019, at such place in Newark, New Jersey, and on such business day and at such hour, as the undersigned shall fix on five (5) business days' notice to the successful bidder, or at such other place and time as may be agreed upon with the successful bidder.

PARITY. Each bid must be submitted via PARITY[®]. No bidder will see any other bidder's bid, nor will any bidder see the status of its bid relative to other bids (e.g., whether its bid is a leading bid). To the extent any instructions or directions set forth on 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 i-Deal at (212) 404-8102. The City may, but is not obligated to, acknowledge its acceptance in writing of any bid submitted electronically via PARITY[®]. The bidder further agrees that:

(1) If a bid submitted electronically via PARITY[®] is accepted by the City, the terms of this Notice of Sale and the information that is electronically transmitted via 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 City, and the City 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 City or information provided by the bidder.

(3) The City may choose to discontinue use of electronic bidding via PARITY[®] by issuing a notification to such effect via TM3 News Services, or by other available means, no later than 3:00 p.m., eastern time, on the last business date prior to the bid date.

(4) Once the bids are communicated electronically via PARITY[®] to the City, each bid shall be deemed to be an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale.

(5) Each bidder 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 City nor i-Deal shall have any duty or obligation to provide or assure to any bidder, and neither the City nor i-Deal 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 City is using PARITY[®] as a communication mechanism, and not as the City's agent, to conduct the electronic bidding for the Bonds. By using PARITY[®], each bidder agrees to hold the City harmless for any harm or damages caused to such bidder in connection with its use of PARITY[®] for bidding on the Bonds.

Change in Federal Tax Law. The successful bidder 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 Amount paid by it will be returned and the successful bidder will be relieved of its contractual obligations arising from the acceptance of its bid.

Bond Insurance Option. If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs of issuance of the Bonds resulting by reason of such insurance, 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 in any way relieve the purchaser of its contractual obligations arising from the acceptance of its bid for the purchase of the Bonds.

Establishment of Issue Price (10% Test to Apply if Competitive Sale Requirements are Not Satisfied). The successful bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City 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, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the City and bond counsel to the City. The form of such certificate is available from bond counsel to the City.

The City intends that the provisions of Section 1.148-1(f)(3)(i) of the Treasury Regulations (defining "competitive sale" for purposes of establishing the issue price of the Bonds) (in general, the "Treasury Regulations") will apply to the initial sale of the Bonds (the "competitive sale requirements") because: (1) the City 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 City 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 City 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. Unless a bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public, a bidder by submitting its bid represents that it is an underwriter of municipal bonds and notes that has an established industry reputation for underwriting new issuances of municipal bonds and notes.

In the event that the competitive sale requirements are not satisfied, the City shall so advise the successful bidder and, unless the successful bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public, the City shall treat the first price at which ten percent (10%) of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. The successful bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City will not require bidders to comply with the "hold-the-offering-price rule" described in the Treasury Regulations. Bids will

not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.

If the competitive sale requirements are not satisfied (unless the successful bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public), then until the 10% test has been satisfied as to each maturity of the Bonds, the successful bidder agrees to promptly report to the City 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 either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the successful bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel to the City.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party 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 third-party distribution agreement, as applicable, (A) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the successful bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the successful bidder, (B) to promptly notify the successful bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the successful bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public and (ii) any agreement among underwriters or selling group agreement 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 or dealer that is a party to a third-party 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 third-party distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the successful bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the successful bidder or such underwriter.

Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) 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) the successful bidder, (B) any person that agrees pursuant to a written contract with the successful bidder to form an underwriting syndicate to participate in the initial sale of the Bonds to the public and (C) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (B) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public), (iii) "related party" means any entity if an underwriter and such entity are subject, directly or indirectly, to (I) more than 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 City to the successful bidder.

CUSIP Numbers. The City’s Municipal Advisor will apply for CUSIP identification numbers with respect to the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for the failure or refusal of the successful bidder to accept delivery of and pay for the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP numbers on the Bonds shall be the responsibility of and shall be paid for by the successful bidder. **The Bonds of each series shall not have different CUSIP numbers.**

Initial and Continuing Disclosure. A preliminary official statement (the “Preliminary Official Statement”) relating to the Bonds is available at www.mcelweequinn.com and the Preliminary Official Statement is deemed final as of its date by the City for purposes and within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. A final official statement (the “Official Statement”) will be delivered to the successful bidder within seven (7) business days of the award of the Bonds. In order to assist bidders in complying with said Rule 15c2-12, the City will undertake to provide certain continuing disclosure as further described in the Preliminary Official Statement.

Legal Opinion and Closing Documents. The successful bidder will be furnished, without cost, with the approving opinion of the law firm of Hawkins Delafield & Wood LLP, bond counsel to the City, to the effect that the Bonds are valid and legally binding obligations of the City and, unless paid from other sources, are payable from ad valorem taxes levied upon all the taxable property therein without limitation as to rate or amount. The obligations under this Notice of Sale to deliver or accept the Bonds pursuant to this Notice of Sale shall be conditioned on the availability to the successful bidder and delivery at the time of delivery of the Bonds of the said approving opinion and of certificates in form and tenor satisfactory to said law firm evidencing the proper execution and delivery of the Bonds and receipt of payment therefor and including a statement, dated as of the date of such delivery, to the effect that, except as may be disclosed in the Official Statement, there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened relating to the Bonds.

Postponement and Adjustments. The City reserves the right to postpone, from time to time, the date and time established for receipt of bids and the right to adjust the maturity schedule of the Bonds. Any such postponement or adjustment will be published on TM3 News Services, or by other available means, not less than twenty-four (24) hours prior to the sale. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, an alternative sale date will be announced via TM3 News Services, or by other available means, at least forty-eight (48) hours prior to such alternative sale date.

Availability of Information. Additional information regarding the sale may be obtained from Hawkins Delafield & Wood LLP, bond counsel to the City, One Gateway Center, Newark, New Jersey, 07102-5311 (telephone: 973-642-8584) or the City’s Municipal Advisor, Dara Melchionni, 6000 Midlantic Drive, Mount Laurel, New Jersey (telephone no. 856-234-2266).

ROSALIA M. LICATESE
City Clerk

Dated: February 7, 2019