

NOTICE OF SALE

**CITY OF PASSAIC
STATE OF NEW JERSEY**

\$4,500,000 BOND ANTICIPATION NOTE

(Book-Entry Note) (Parity Bid) (Non-Callable) (Bank Qualified)

SALE DATE: August 20, 2019

You are invited to offer to purchase (the "Bid"), from the City of Passaic, a municipal corporation of the State of New Jersey (the "City"), the Bond Anticipation Note (the "Note") described below at a price of not less than par. Bids must be for the entire Note, and must specify a single rate of interest (computed on the basis of a 360 day year) offered for the Note.

Bids will be received by the City 1) electronically via PARITY or 2) in writing by completing the attached Proposal to Purchase and then sending it to the City's bond counsel, Waters, McPherson, McNeill, P.C. ("Bond Counsel"), to the attention of James M. Spanarkel, Esq., via facsimile: (201) 863-2866 or via electronic mail: js@lawwmm.com. Bids must be submitted no later than 11:00 AM on Tuesday August 20, 2019.

The Chief Financial Officer of the City (the "Chief Financial Officer") expects to award the Note to the bidder specifying the lowest net interest payable by the City. However, the Chief Financial Officer reserves the right to reject any or all bids or to award the Note to a bidder other than the lowest bidder. All bidders, by submitting a Bid, agree to accept the determination of the Chief Financial Officer.

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 i-Deal LLC at 40 West 23d Street, 5th Floor, New York, New York 10010, Telephone No. (212) 404-8102.

NOTE SPECIFICATIONS

Principal Amount	\$4,500,000
Approving Opinion	Waters, McPherson, McNeill, P.C. Secaucus, New Jersey
Tax Exemption	Federal and New Jersey State Tax-Exempt See Official Statement / Approving Opinion
Dated	August 27, 2019
Maturity Date	August 27, 2020
Interest Rate Per Annum	Specified by successful bidder
Paying Agent	City of Passaic
Closing	
a. date	August 27, 2019
b. location	City of Passaic, 330 Passaic Street, Passaic, New Jersey, or at such other place as agreed to by the Chief Financial Officer
Denominations	Increments of \$5,000 or any integral multiple of \$1,000 in excess thereof
Payment	Immediately available funds

The Note **will** be a qualified tax-exempt obligation for purposes of Section 265 of the Internal Revenue Code of 1986, as amended.

The Note will be a non-callable general obligation of the City payable ultimately from *ad valorem* taxes levied upon all the taxable property within the City to the extent that payment is not otherwise provided.

A CUSIP identification number will be printed on the Note if the Purchaser provides Bond Counsel with such number in writing within 24 hours after the award of the Notes. The request for the assignment of a CUSIP identification number and the CUSIP Service Bureau charge shall be the responsibility of, and shall be paid for by, the Purchaser.

The City has authorized the distribution of a Preliminary Official Statement deemed final for purposes of Rule 15c2-12. The final Official Statement will be delivered to the Purchaser within

7 business days following the sale of the Note. The Preliminary Official Statement is available at www.i-dealprospectus.com.

The obligation hereunder to deliver and to accept the Note shall be conditioned on the availability and the delivery, at the time of delivery of the Note, of the following: (i) the approving opinion of Bond Counsel, which will be furnished without cost to the successful bidder and will be substantially in the form set forth in the Preliminary Official Statement distributed in connection with the sale of the Note; and (ii) certificates in a form satisfactory to Bond Counsel evidencing the proper execution and delivery of the Note, the receipt of payment therefor, the completeness and accuracy of the information contained in the Preliminary Official Statement and the Official Statement for the Note, and the absence of litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of the Note. A copy of the approving opinion of Bond Counsel will be attached to the Note.

The Note is subject to the requirements of Rule 15c2-12 adopted by the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (“Rule 15c2-12”) with respect to Secondary Market Disclosure of Material Events. The City will execute and deliver at closing an undertaking, in a form approved by Bond Counsel, to provide Secondary Market Disclosure of Material Events as set forth in Rule 15c2-12.

If the competitive sale requirements of Treasury Regulation Section 1.148-1(f)(3)(i) are not met with respect to the initial sale of the Note, the City shall treat the first price at which 10% of a maturity of the Note is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and to each separate CUSIP number within that maturity if applicable). The Purchaser will be required to advise the City if any maturity of the Note satisfies the 10% test as of the date and time of the award of the Note. The City will not require the Purchaser to comply with the “hold-the-offering-price-rule” and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Note as the issue price of that maturity in the event that the competitive sale requirements are not satisfied. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Note will be subject to the 10% test in order to establish the issue price of the Note.

Please contact the City’s Bond Counsel, James M. Spanarkel, Esq. of Waters, McPherson, McNeill, P.C. at (201) 863-4400, for additional information concerning the Note.

/s/ Vidya R. Nayak
Chief Financial Officer

PROPOSAL TO PURCHASE

**CITY OF PASSAIC
STATE OF NEW JERSEY**

\$4,500,000 BOND ANTICIPATION NOTE (BANK QUALIFIED)

The undersigned hereby offers to purchase the City's \$4,500,000 Bond Anticipation Note in accordance with the provisions of the Notice of Sale with respect thereto for the following terms:

<u>Amount of Note</u>	<u>Price (not less than par)</u>	<u>Rate of Interest Per Annum</u>
\$4,500,000	\$ _____	_____ %

Authorized Bidder _____

Signature _____

PLEASE COMPLETE THE FOLLOWING:

Interest Payable on Note	\$ _____
Less Premium (if any)	\$ _____
Net Interest Payable	\$ _____
Net Interest Cost	_____ %
Yield	_____ %

PERSON TO BE CONTACTED FOR CLOSING ARRANGEMENTS:

Name: _____

Telephone No.: _____

Email Address: _____