

BUFFALO MUNICIPAL WATER FINANCE AUTHORITY, NEW YORK

-REQUEST FOR BIDS-

for

Defeasance Escrow Security Portfolio

in connection with

\$41,805,000* Water System Revenue Refunding Bonds, Series 2026-B

Capital Markets Advisors, LLC, on behalf of the Buffalo Municipal Water Finance Authority, New York (the “Issuer”), is soliciting bids to purchase Eligible Securities (defined below) to invest bond proceeds with the defeasance draw schedule set forth in **Exhibit A** hereto (the “Defeasance Escrow”). The Defeasance Escrow has been established in connection with the issuance of \$41,805,000* Water System Revenue Refunding Bonds, Series 2026-B (the “Bonds”) by the Issuer.

Bid Date: **March 11, 2026**

Bid Time: 1:30 p.m. Eastern Time

Bid Award: 1:45 p.m. Eastern Time

Settlement Date: **April 2, 2026**

Bid Submittal: Bids are to be emailed to Alex LoCascio, Capital Markets Advisors, LLC, Bidding Agent, at alocascio@capmark.org by 1:30 p.m. Eastern Time on March 11, 2026 and followed up by a fax or email to Mr. LoCascio of the bid form provided as **Exhibit B** hereto, to (516) 487-2575 or alocascio@capmark.org. A fax or email copy of the bid form **must** be received by Capital Markets Advisors, LLC (the “Bidding Agent”) prior to the awarding of the bid at 1:45 p.m. Eastern Time.

Eligible Securities: Non-callable direct obligations of the United States of America (Direct U.S. Treasury Obligations).

Substitution of Eligible

Securities Prior to Settlement: If the Winning Bidder (defined below) cannot deliver the Eligible Securities on the Settlement Date as outlined in its portfolio bid, the Winning Bidder will have the right to deliver other Eligible Securities for the Defeasance Escrow. The cost of the new portfolio must not exceed the cost of the original portfolio. The Bidding Agent must be informed of such substitutions no later than the close of business on March 18, 2026 and any costs incurred by the Issuer associated with such substitution will be paid for by the Winning Bidder.

* Preliminary, subject to change.

Structure:	The Issuer is seeking to purchase Eligible Securities for the Defeasance Escrow to provide sufficient cash-flow to satisfy draws as set forth in Exhibit A herein. The Defeasance Escrow must be funded with Eligible Securities, plus an initial cash deposit made by the Issuer. The Issuer's required initial cash deposit must be included in each bidder's Net Cost of Funding in order to allow direct comparisons between bids. Each bidder will specify a Net Cost of Funding required for the Defeasance Escrow, which will be produced by adding the following: (1) the one-time sale by such bidder to the Issuer of Eligible Securities and (2) any initial cash deposit made by the Issuer. The Escrow Agent will deliver cash, equal to the purchase price of the Eligible Securities, to the Winning Bidder upon receipt of the Eligible Securities (on a delivery versus payment basis), that together with any initial cash deposit made by the Issuer, will be sufficient to fund the Defeasance Escrow. The final maturities of the Eligible Securities cannot exceed the dates of the disbursements set forth in Exhibit A.
Basis of Award:	The award shall be made to the bidder who provides the lowest overall Net Cost of Funding the Defeasance Escrow (the "Winning Bidder"). Each bidder's Net Cost of Funding must include the cost of the Eligible Securities and the Issuer's initial cash deposit required to fund the Defeasance Escrow. The Issuer reserves the right to reject any and all bids in its sole discretion if it determines it is in its best interest to do so.
Ties:	In the event of a tie in Net Cost of Funding, the Winning Bidder will be selected by lot by the Bidding Agent.
Identifying Escrow:	Within two (2) hours of award, the Winning Bidder must detail the specific Eligible Securities to be delivered to the Escrow Agent on the Settlement Date. Portfolio details must be provided to the Bidding Agent and the Verification Agent, Causey Public Finance, LLC.
Escrow Agent:	U.S. Bank, National Association
Bidding Agent:	Capital Markets Advisors, LLC
Verification Agent:	Causey Public Finance, LLC
Bond Counsel:	Hawkins, Delafield & Wood LLP
Municipal Advisor:	Capital Markets Advisors, LLC

Enclosures: Exhibit A – Cashflow Requirement
Exhibit B – Bid Form
Exhibit C – Certificate of the Winning Bidder

Comments: If for any reason issuance of the Bonds is not completed, the Winning Bidder will have no recourse against the Issuer, Bidding Agent, the Escrow Agent, Verification Agent, or Bond Counsel for any expenses incurred or damages sustained.

Award will be subject to escrow verification by the Verification Agent.

Any questions regarding this bid may be directed to Alex LoCascio, Assistant Vice President, Capital Markets Advisors, LLC, at (516) 274-4502 or alocascio@capmark.org.

Other Requirements and Provisions:

1. The Winning Bidder must sign and deliver a certification regarding administrative costs, yield and other matters, so as to satisfy the “safe harbor” regulations promulgated by the Treasury Department in Treas. Reg. § 1.148-5(d)(6)(iii). A form of this certificate is set forth in **Exhibit C** hereto and must be delivered on or prior to the Settlement Date and dated the Settlement Date. All bidders are hereby notified that submission of a bid is a representation that (A) the bidder did not consult with any other bidder about its bid, (B) the bid was determined without regard to any other formal or informal agreement that the bidder has with the Issuer or any other person (whether or not in connection with the Bonds), and (C) the bid is not being submitted solely as a courtesy to the Issuer or any other person for the purpose of satisfying the requirements that (a) at least three bids be obtained from disinterested bidders solicited under a bona fide solicitation, and (b) at least one of the three bids is from a reasonably competitive bidder.
2. All payments are to be made in same day funds and will be conducted on a delivery versus payment basis.
3. No fees of the Winning Bidder will be paid and no expenses reimbursed by the Issuer.
4. Any exceptions to the terms herein must be stipulated in writing with the bid.
5. **As Bidding Agent in this transaction, Capital Markets Advisors, LLC will receive a fee payable by the Issuer.**
6. All bidders will have an equal opportunity to bid. No bidder will have the opportunity to review other bids (“last-look”) before submitting a bid.

EXHIBIT A

**BUFFALO MUNICIPAL WATER FINANCE AUTHORITY,
NEW YORK**

Defeasance Escrow Security Portfolio

CASHFLOW REQUIREMENTS

<u>Date</u>	<u>Disbursement Requirements</u>
04/02/2026	
05/04/2026	\$21,603,784.17
07/01/2026	<u>27,860,831.26</u>
Total	<u><u>\$49,464,615.43</u></u>

Key Dates:

1. March 11, 2026
2. April 2, 2026
3. July 1, 2026

Bid Date
Closing/Settlement Date
Final Cashflow Requirement Maturity

EXHIBIT B

**BUFFALO MUNICIPAL WATER FINANCE AUTHORITY,
NEW YORK**

Defeasance Escrow Security Portfolio

BID FORM

March 11, 2026

Fax: (516) 487-2575

Based on the eligible securities outlined in Eligible Securities:

For the Defeasance Escrow evidenced as **Exhibit A** in the Request for Bids, which is hereby made a part of this bid, we hereby offer to provide Eligible Securities sufficient to fund the Defeasance Escrow, meeting the requirements on the respective dates as reflected in **Exhibit A**. The bidder acknowledges that if it is the Winning Bidder it must sign and deliver the certificate in the form attached to the Request for Bids as **Exhibit C** on or prior to the Settlement Date and dated the Settlement Date. The bidder hereby represents that it did not consult with any other potential bidder about its bid, that the bid was determined without regard to any other formal or informal agreement that the bidder has with the Issuer or any other person (whether or not in connection with the Bonds) and that the bid is not being submitted solely as a courtesy to the Issuer or any other person for purposes of satisfying the requirements that (a) at least three bids be obtained from disinterested bidders solicited under a bona fide solicitation, and (b) at least one of the three bids is from a reasonably competitive bidder. Terms used but not defined herein shall have the meaning provided in the Request for Bid to which this Bid Form is attached as **Exhibit B**.

By submitting this bid, we certify that the securities provided will be Eligible Securities and—subject to verification—will be sufficient in amount to meet the Cash Flow Requirement as indicated in **Exhibit A**.

Name of Bidder: _____

Contact: _____

Phone: _____

Fax: _____

Signature: _____

Net Cost of Funding:* _____

Bids will be accepted via email at alocascio@capmark.org by 1:30 p.m. Eastern Time and should be followed promptly by a faxed or emailed bid form. Please fax or email bid responses to Alex LoCascio, at Capital Markets Advisors, LLC at (516) 487-2575 or alocascio@capmark.org.

* Net Cost of Funding must include the cost of the Eligible Securities and the initial cash deposit to be made by the Issuer.

EXHIBIT C

**BUFFALO MUNICIPAL WATER FINANCE AUTHORITY,
NEW YORK**

Defeasance Escrow Security Portfolio

CERTIFICATE OF THE WINNING BIDDER

The undersigned hereby states and certifies as follows:

1. The undersigned is a _____ of _____ (the "Winning Bidder"), and is authorized to execute and deliver this certificate on behalf of the Winning Bidder and is knowledgeable with respect to the matters set forth herein.
2. The Winning Bidder has an established industry reputation as a competitive provider of Eligible Securities (as defined below), and the Winning Bidder has no material financial interest (within the meaning of Treasury Regulations Section 1.148-5(d)(6)(iii)(B)(1)) in the Bonds described herein other than for the purposes of providing Eligible Securities to satisfy the requirements of the Defeasance Escrow set forth as **Exhibit A**.
3. The Winning Bidder is, on the date hereof, providing eligible securities described in the Request for Bids (the "Eligible Securities") to the Escrow Agent as trustee and escrow agent to the Buffalo Municipal Water Finance Authority, New York (the "Issuer") with respect to the Defeasance Escrow created in connection with the Issuer's \$41,805,000* Water System Revenue Refunding Bonds, Series 2026-B (the "Bonds").
4. The Winning Bidder received a solicitation for bids with respect to the Defeasance Escrow and the Eligible Securities provided satisfy the terms specified in said bid solicitation and any variances from the bid terms have been explained.
5. The Winning Bidder represents that its bid was: (1) determined without consultation with any other bidder, (2) determined without regard to any other formal or informal agreement with the Issuer or any other person (whether or not in connection with the issuance of the Bonds), and (3) not submitted solely as a courtesy to the Issuer, or any person for purposes of satisfying the requirement that (a) at least three bids be obtained from disinterested bidders solicited under bona fide solicitation and (b) at least one of the three bids be from a reasonably competitive bidder.
6. The Winning Bidder had no opportunity to review other bids for the Defeasance Escrow submitted by other bidders before providing its bid.
7. The Winning Bidder is not paying, and does not expect to pay, any administrative costs to third parties, including any brokerage or selling commissions, legal and accounting fees, investment advisory fees, recordkeeping, safekeeping, custody and similar costs or expenses, in connection with supplying the Eligible Securities.
8. The Winning Bidder does not have any material financial interest in the Bonds and has not sold the Eligible Securities because of an interest in any other transaction directly or indirectly involving the same parties or other parties acting on their behalf. A Winning Bidder is deemed to have a material financial interest if the Winning Bidder is (i) the lead underwriter in a negotiated underwriting transaction, (ii) the

financial advisor with respect to the purchase of the Eligible Securities, or (iii) a related party to a provider that has a material financial interest.

9. The Winning Bidder represents that the purchase price of the Eligible Securities on March 11, 2026 for delivery on the Delivery Date was determined without regard to any payment of any amount in order to reduce or increase the yield on the Eligible Securities.
10. Based upon the reasonable expectations of the Winning Bidder on the date on which the Winning Bidder offered to sell the Eligible Securities, the yield on the portfolio of Eligible Securities is not less than the yield which the Winning Bidder would have offered such Eligible Securities to others, including persons other than Governmental Units, in transactions from sources of funds other than gross proceeds of a bond issue.
11. The undersigned is authorized to execute this certificate on behalf of the Winning Bidder, which certifications are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

Dated: April 2, 2026

By: _____

Name: _____

Title: _____

Firm: _____