

Capital Markets Advisors, LLC

Independent Financial Advisors

11 Grace Avenue, Suite 308

Great Neck, New York 11021

Telephone (516) 274-4501 Fax (516) 364-9501

e-mail: akerr@capmark.org

Office locations:

Long Island

Western New York

June 4, 2026

Faxed, telephoned and bids via Parity are requested by Capital Markets Advisors, LLC for the West Babylon Union Free School District, Suffolk County, New York, on **Thursday, June 11, 2026** by 11:00 AM for the purchase at not less than par of the following Notes:

TERM SHEET

ISSUER: West Babylon Union Free School District (the “District”)
Suffolk County, New York

ISSUE: \$750,000 Bond Anticipation Notes – 2026 Series C (Federally Taxable) (the “Notes”)

SALE DATE: June 11, 2026

SALE TIME: 11:00 A.M. EST

DATE OF DELIVERY: July 2, 2026

DATE OF MATURITY: October 5, 2026

DELIVERY: Through the offices of The Depository Trust Company (“DTC”) or as otherwise mutually agreed upon by the District and the purchaser.

LEGAL OPINION: To be provided by Hawkins Delafield & Wood LLP, Bond Counsel. The form of opinion of Bond Counsel is attached hereto as **Exhibit A**.

TAXABLE STATUS: The opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, shall state that interest on the Note **will not** be exempt from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986 as amended and **will be** exempt from personal income taxes of New York State and its political subdivisions, including the City of New York. In addition, the opinion of Bond Counsel to the District shall also state that under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

BIDDING REQUIREMENTS: Sealed proposals, telephone proposals, fax proposals and proposals via iPreo’s Parity Electronic Bid Submission System (“Parity”) will be received at the place and time on the Sale Date as herein indicated, for the purchase

at not less than par and accrued interest of the Notes as herein described. No other form of electronic bidding services will be accepted. The number for telephone proposals is (516) 274-4501. The number for FAX proposals is (516) 487-2575. Bidders submitting proposals via facsimile must use the "Proposal for Notes" form attached hereto.

Proposals may be submitted in accordance with this Term Sheet until the time specified herein. No proposal will be accepted after the time for receiving proposals specified above. Any proposal received by the time for receiving proposals specified herein, which have not been modified or withdrawn by the bidder, including those communicated electronically via Parity, shall constitute an irrevocable offer to purchase the Notes pursuant to the terms herein and therein provided. Bidders shall not submit a bid that modifies the terms contained in this Term Sheet or adds additional conditions not set forth in the Term Sheet.

The District reserves the right to reject any and all bids (regardless of the interest rate bid), to reject any bid not complying with this Term Sheet and, so far as permitted by law, to waive any irregularity or informality with respect to any bid or the bidding process.

The timely delivery of all proposals submitted by facsimile transmission (FAX) must be in legible and complete form, signed by an authorized representative of the bidder(s), and shall be the sole responsibility of the bidder(s). The District shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

Bids must be made for all of the Notes. Each bid must state: (i) the principal amount of the Notes to be purchased pursuant to such bid and (ii) in a multiple of one-hundredth (1/100th) or one-eighth (1/8th) of one percent, a rate of interest per annum which the Notes bid shall bear. Interest will be calculated on the basis of a 30-day month and 360-day year. Each bid submitted must comply with the foregoing requirements. Conditional bids will be rejected.

If a facsimile bid is submitted, such bid must be made on the "Proposal for Notes" accompanying the Term Sheet.

Unless all bids are rejected, the Notes will be awarded and sold to the bidder complying with the terms of sale and offering to purchase the Notes at the lowest net interest cost. If two or more such bidders offer the same lowest net interest cost, then the Notes will be awarded and sold to one of said bidders selected by the District's Assistant Superintendent for Business by lot from among all said bidders. The right is further reserved

by the District to reject any or all bids, and any bid not complying with this Term Sheet will be rejected.

Award of the Notes is expected to be made promptly after opening of the bids, but the successful bidder may not withdraw its proposal until two (2) 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.

**BIDDING USING
PARITY:**

Prospective bidders wishing to submit an electronic bid via Parity must be contracted customers of Parity. Prospective bidders who do not have a contract with Parity must call (212) 849-5021 to become a customer. By submitting an electronic bid for the Notes, a bidder represents and warrants to the District that such bidder's bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes.

Each prospective bidder who wishes to submit an electronic bid shall be solely responsible to register to bid via Parity. Each qualified prospective 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 Term Sheet. Neither the District nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the District nor Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by Parity. The District is using Parity as a communications mechanism, and not as the District's agent, to conduct the electronic bidding for the District's Notes. The District is not bound by any advice or determination of Parity as to whether any bid complies with the terms of this Term Sheet. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the District is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid, or submitting or modifying a bid for the Notes, it should telephone Parity and notify the District's Municipal Advisor, Capital Markets Advisors, LLC at (516) 274-4501 (provided that the District shall have no obligation to take any action whatsoever upon receipt of such notice).

If any provisions of this Term Sheet shall conflict with information provided by Parity, as approved provider of electronic bidding services, this Term Sheet 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.

**AUTHORITY FOR AND
PURPOSE OF ISSUE:**

The Notes are being issued pursuant to a bond resolution to be adopted by the Board of Education of the District on June 9, 2026, authorizing the payment of settled claim not to exceed \$750,000. The Notes will provide original financing for the settled claim.

**SECURITY FOR THE
NOTES:**

The Notes when duly issued and paid for will constitute a contract between the District and the holder thereof. The Notes will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon. For the payment of such principal of and interest on the Notes, the District has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the District, subject to statutory limitations.

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes, and the State is specifically precluded from restricting the power of the District to levy taxes on real estate therefore. However, Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"), imposes a limitation on the power of local governments and school districts, including the District, to increase their annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limit Law. The Tax Levy Limit Law also provides the procedural method to overcome that limitation. In addition, the Tax Levy Limit Law expressly provides an exclusion from the annual tax levy limitation for any taxes levied to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures, or the refinancing or refunding of such bonds or notes. In addition, the Tax Levy Limit Law expressly provides an exclusion from the annual tax levy limitation for any taxes levied to pay costs resulting from court orders, or judgements against the local government or school district arising out of tort actions that exceed five percent of the total prior year's tax levy. However when such court orders or judgements are financed, as is the case for the Notes, the exclusion only applies if the annual debt service costs associated with the bonds or notes issued to finance the court orders, settlements or judgement exceed five percent of the prior year's levy. The debt service for the Notes is NOT expected to exceed five percent of the District's prior year's levy and as such the exclusion will NOT apply to the Notes. The exclusion does NOT apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to

finance deficits and certain judgments, including tax certiorari refund payments.

NO PRIOR REDEMPTION: The Notes will not be subject to redemption prior to their stated maturity.

DENOMINATIONS: Individual purchases of the Notes shall be made in denominations of \$5,000 or integral multiples thereof.

FORM: The Notes will be issued in registered form, and, at the option of the purchaser, the Notes may be either registered to the purchaser or registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry notes.

For those Notes registered to the purchaser, a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in lawful money of the United States of America (Federal Funds) at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder.

For those Notes issued as book-entry only notes registered to Cede & Co., DTC will act as securities depository for the Notes and owners will not receive certificates representing their interest in the Notes. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein.

CUSIP identification numbers will be printed on the book-entry only notes if Bond Counsel is provided with such number(s) by the close of business on the Sale Date of 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 and pay for the Notes in accordance with the terms hereof. It shall be the responsibility of the District's Municipal Advisor to obtain CUSIP numbers for the Notes within one day after distribution of this Term Sheet. The District will not be responsible for any delay occasioned by the inability to deposit the Notes with DTC due to the failure of the District's Municipal Advisor to obtain such numbers and to supply them to the District in a timely manner. The CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the winning bidder; however, all expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the District. For those Notes issued in registered

form, the District will act as Paying Agent for the Notes. Paying agent fees, if any, will be paid by the purchaser.

OFFICIAL STATEMENT: The District has **NOT** prepared an official statement in connection with the issuance of the Notes. However, the District has prepared a Preliminary Official Statement in connection with the sale of \$5,725,894 Bond Anticipation Notes 2026 Series A and \$3,295,000 Bond Anticipation Notes 2026 Series B. Such Preliminary Official Statement is available at www.capmark.org.

Link to 2025 Audited Financial Statements:

<https://emma.msrb.org/P11897588.pdf>

Please be advised that certain financial information and operating data, as well as information regarding certain material events that may occur from time to time, are filed by the District with respect to its bonds, in satisfaction of certain continuing disclosure undertaking agreements entered into pursuant to Securities and Exchange Rule 15c2-12, by periodically filing such information with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system, currently found at <http://emma.msrb.org/>.

Information concerning the District is also available, upon request, from the District's Municipal Advisor, Capital Markets Advisors LLC.

CREDIT RATING: The Notes are not rated. Moody's Investors Service, Inc. has previously assigned a rating of "Aa3" to the uninsured outstanding bond indebtedness of the District.

ISSUER: Victoria Galante
Interim Assistant Superintendent for Finance and Operations
West Babylon Union Free School District
200 Old Farmingdale Road
West Babylon, New York 11704
Telephone: (631) 376-7701

BOND COUNSEL: Hawkins Delafield & Wood LLP
140 Broadway, 42nd Floor
New York, New York 10005
Attention: William J. Jackson, Esq.
Telephone: (212) 820-9620

MUNICIPAL ADVISOR: Alexander Kerr
Capital Markets Advisors, LLC

11 Grace Avenue, Suite 308
Great Neck, New York 11021
Telephone: (516) 274-4501

Dated: June 4, 2026

BID PROPOSAL

June 11, 2026

President of the Board of Education
West Babylon Union Free School District
c/o Capital Markets Advisors, LLC
11 Grace Ave. – Suite 308
Great Neck, New York 11021

TELEPHONE: (516) 274-4501

FACSIMILE: (516) 364-9501

WEST BABYLON UNION FREE SCHOOL DISTRICT
SUFFOLK COUNTY, NEW YORK

\$750,000 BOND ANTICIPATION NOTES – 2026 SERIES C (FEDERALLY TAXABLE)

DATED: July 2, 2026

MATURITY DATE: October 5, 2026

<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Premium</i>	<i>Net Interest Cost</i>
\$750,000.00	%	\$	%

Please select one of the following (if no option is selected, the book-entry-only option will be assumed to have been selected by the bidder):

- Book-Entry-Only registered to Cede & Co.
- Registered in the name of the bidder

Please check one of the following:

- We are purchasing the Notes for our own account and not with a view to distribution or resale to the public.
- In the event the Competitive Sale Requirements are not met, we hereby elect to
 - Hold the Offering Price Requirement
 - Follow the Offering Price Requirement

Signature:

Name of Bidder:

Address of Bidder:

Telephone contact of Bidder (Area Code):

Facsimile contact of Bidder (Area Code):

Email of Bidder:

EXHIBIT A

Hawkins Delafield & Wood LLP
140 Broadway
New York, New York 10005

June 11, 2026

The Board of Education of the
West Babylon Union Free School District,
in the County of Suffolk, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the West Babylon Union Free School District (the "School District"), in the County of Suffolk, a school district of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$750,000 Bond Anticipation Note-2026 Series C (Federally Taxable) (the "Note"), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Note is a valid and legally binding general obligation of the School District for which the School District has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the School District is subject to the levy of ad valorem real estate taxes to pay the Note and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Note may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Interest on the Note is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

3. Under existing statutes, interest on the Note is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Note, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason.

We give no assurances as to the accuracy, sufficiency or completeness of any proceedings, reports, correspondence, financial statements or other documents, containing

financial or other information relative to the School District which have been or may hereafter be furnished or disclosed to purchasers of said Note.

Very truly yours,