

Capital Markets Advisors, LLC

Independent Financial Advisors

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TERM SHEET

ISSUER: Town of Stony Point (the "Town")
Rockland County, New York

ISSUE: \$464,239 Bond Anticipation Notes, Series 2018B (the "Notes")

SALE DATE: December 13, 2018 (11:00 a.m. prevailing time)

DATE OF ISSUE: December 27, 2018

DATE OF MATURITY: August 21, 2019

DELIVERY: Delivery of the Notes will be in Town of Stony Point, New York or New York, New York on or about December 27, 2018 or as otherwise mutually agreed upon by the Town and the purchaser.

CALL FEATURE: The Notes will not be subject to optional redemption prior to maturity.

LEGAL OPINION: Provided by Harris Beach PLLC, Bond Counsel, Rochester, New York

NATURE OF OBLIGATION: The Notes are general obligations of the Town and the faith and credit of the Town shall be pledged for payment of the principal of and interest on the Notes. All the taxable real property in the Town will be subject to the levy of ad valorem taxes sufficient to pay the principal of and interest on the Notes, subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011, as amended.

AUTHORITY FOR AND PURPOSE OF ISSUE: The Notes shall be issued pursuant to the Constitution and the Laws of the State and a bond resolution duly adopted by the Town Board of the Town on September 12, 2018. The proceeds from the sale of the Notes will provide original financing for the projects indicated in the below table.

<u>Date of Authorization</u>	<u>Purpose</u>	<u>Amount of the Notes</u>
09-12-18	Various Sewer Improvements	<u>\$ 464,239</u>
		<u><u>\$ 464,239</u></u>

FORM:

At the option of the purchaser, the Notes will be issued either in (i) registered certificated form, registered in the name of the successful bidder, or (ii) registered book-entry form in the name of Cede & Co., as nominee for The Depository Trust Company, Jersey City, New Jersey ("DTC").

If the Notes are issued in registered form registered in the name of the successful bidder, a single note certificate will be issued in the aggregate principal amount of \$464,239. Principal of and interest on such Note will be payable by the Town in Federal Funds at the office of the Town Clerk, Stony Point, New York.

If the Notes are 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. Principal of and interest on said Notes will be payable by the Town in Federal Funds 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. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Town; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser. If the Notes are issued in registered form, the Town will act as Fiscal Agent for the Notes. The Town's contact information is as follows: Gregg Smith, Director of Finance, 74 E. Main St., Stony Point, NY 10980, (845) 786-2716, e-mail: gsmith@townofstonypoint.org.

TAX-EXEMPT STATUS:

At the closing, Harris Beach PLLC, Bond Counsel to the Town, to the effect that: (i) based upon an analysis of existing laws, regulations, administrative rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is not an item of tax preference for purposes of the federal alternative minimum taxes, imposed on individuals, and (ii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

THE NOTES WILL BE DESIGNATED OR DEEMED DESIGNATED AS QUALIFIED TAX-EXEMPT OBLIGATIONS PURSUANT TO SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

BIDDING REQUIREMENTS:

Bids must be made for all of the Notes and must state in a multiple of one-hundredth or one-eighth of 1% a rate of interest per annum which such Notes shall bear. 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, and if two or more such bidders offer the same lowest net interest cost, then to one of said bidders selected by the Sale Officer by lot from among all said bidders.

The right is reserved to reject any or all bids and any bid not complying with the terms of this notice will be rejected.

ISSUE PRICE:

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, 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 Notes pursuant to U.S. Treasury Regulations 1.148-1(f)(3)(i), 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 Notes. Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.

Each winning bidder shall, within one (1) hour after being notified of the award of the Notes, advise the Municipal Advisor by email of the reasonably expected initial public offering price or yield of the Notes (the “Initial Reoffering Price”) as of the date of the award.

By submitting a bid, each bidder (unless such bidder would be purchasing the Notes for its own account and not with a view to distribution or resale to the public) represents that it has an established industry reputation for underwriting new issuances of municipal bonds and notes, and agrees that 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. If no election is made, the bidder shall be deemed to have elected option (1) below.

(1) Hold the Price. Such winning bidder:

- (a) will make a bona fide offering to the public of the Notes at the Initial Reoffering Price and provide the Municipal Advisor 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 Notes at a price that is higher, or a yield that is lower, than the Initial Reoffering Price until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Notes 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 Notes, and
- (c) has or will include within any selling group agreement and each retail distribution agreement (to which such winning bidder or any member of a selling group is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Notes 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 Notes at the Initial Reoffering Price and provide the Municipal Advisor 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 Municipal Advisor and Bond Counsel information regarding the actual prices at which at least 10 percent of the Notes have been sold to the public,
- (c) will provide the Municipal Advisor 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 Notes, will continue until such date that ten percent (10%) of the Notes has been sold to the public, and
- (d) has or will include within any selling group agreement and each retail distribution agreement (to which the winning bidder or any member of a selling group is a party) relating to the initial sale of the Notes 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 Issuer a certificate (the "Reoffering Price Certificate"), satisfactory to Bond Counsel, prior to the delivery of the Notes stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the Municipal Advisor.

If the winning bidder has purchased the Notes for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Requirements were met, the Reoffering Price Certificate will recite such facts and identify the price or prices at which such purchase of the Notes was made.

For purposes of this Notice of Sale, the following terms shall have the following respective meanings:

- (A) the "public" means any person other than an underwriter or a related party (as defined below) to an underwriter;
- (B) an "underwriter" means (i) the winning bidder (unless the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public), (ii) any person that agrees pursuant to a written contract with the winning bidder to form an underwriting syndicate to participate in the initial sale of the Notes to the public, and (iii) any person that agrees pursuant to a written agreement with either the winning bidder or any other member of an underwriting syndicate for the Notes to participate in the initial sale of the Notes 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 Notes to the public); and

(C) a “related party” (as defined in U.S. Treasury Regulation 1.150-1(b)) to an underwriter generally means any person who has greater than fifty percent (50%) common ownership, directly or indirectly, with such underwriter.

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 Notes.

OFFICIAL STATEMENT: The Town has not prepared an Official Statement in connection with the sale of the Notes.

FINANCIAL STATEMENTS: The most recent audit of the Town can be accessed on the Electronic Municipal Market Access (“EMMA”) system of the Municipal Securities Rulemaking Board (“MSRB”) or upon request to Capital Markets Advisors, LLC, the Town’s Financial Advisor, at (845) 227-8678.

BOND RATING: The Town will not apply for a rating of the Notes. The Town’s outstanding uninsured bond debt is rated “A1” by Moody’s Investor Services, Inc. (“Moody’s”).

ISSUER CONTACT: Town of Stony Point
74 E. Main Street
Stony Point, NY 10980
Attn: Mr. Gregg Smith, Director of Finance
Phone: (845) 786-2716
E-Mail: gsmith@townofstonypoint.org

MUNICIPAL ADVISOR: Capital Markets Advisors, LLC
822 Route 82, Suite 310
Hopewell Junction, New York 12533
Attn: Mr. James Nytko
Phone: (845) 227-8678
E-Mail: jnytko@capmark.org

BOND COUNSEL: Harris Beach PLLC
99 Garnsey Road
Pittsford, NY 14534
Attn: Mr. Charles I. Schachter
Phone: (585) 419-8863
E-mail: cschachter@harrisbeach.com

Dated: December 7, 2018

PROPOSAL FOR NOTES

December 13, 2018

Geoffrey Finn
Supervisor and Chief Fiscal Officer
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c/o Capital Markets Advisors, LLC
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Hopewell Junction, New York 12533

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TOWN OF STONY POINT
ROCKLAND COUNTY, NEW YORK

\$464,239
BOND ANTICIPATION NOTES, SERIES 2018B
(the "Notes")

DATED: December 27, 2018

MATURITY DATE: August 21, 2019

	Amount	Interest Rate	Premium	Net Interest Cost*
Bid	\$464,239	%	\$	%

*The computation of the net interest cost is made as provided in the above-mentioned Term Sheet but does not constitute any part of the foregoing Proposal for the purchase of the Notes therein described.

Please check 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 accordance with the Term Sheet, in the event the Competitive Sale Requirements (as described in the Term Sheet) are not met, we hereby elect to
 - Hold the Price
 - Follow the Price

Signature: _____

Name of Bidder: _____

Company: _____

Address of Bidder: _____

Tel. (Area Code): _____ Fax (Area Code): _____