Capital Markets Advisors, LLC
Independent Municipal Advisors
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Office locations:
Long Island
Hudson Valley
Western Region
Southern Tier

May 17, 2019

Faxed or telephoned bids are requested by Capital Markets Advisors, LLC for the Clarence Fire District No. 1, Erie County, New York, on **Wednesday, May 29, 2019** by 11:00 AM for the purchase at not less than par of the following notes:

TERM SHEET

ISSUER: **Clarence Fire District No. 1 (the "District")**
Erie County, New York

ISSUE: $900,000 Bond Anticipation Notes, 2019 (the "Notes")

SALE DATE: May 29, 2019

SALE TIME: 11:00 A.M. (Prevailing Time)

DATE OF ISSUE: June 12, 2019

DATE OF MATURITY: June 11, 2020

DENOMINATION: The Notes shall be in denominations of $5,000 or any integral multiple thereof, if delivered through DTC. At the winning bidder's option, one note will be prepared for portfolio purposes and delivered at a local closing.

DELIVERY: Delivery of the Notes will be in Clarence, New York or New York, New York on or about June 12, 2019, or as otherwise mutually agreed upon by the District and the purchaser.

LEGAL OPINION: Opinion of Hodgson Russ LLP, Bond Counsel, will be provided at closing.

NO CALL FEATURE: The Notes will not be subject to redemption, in whole or in part, prior to maturity.

FORM:

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

If the Notes are registered in the name of the successful bidder, 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 Federal Funds by the District, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidder.

If the Notes are issued in book-entry form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of $5,000 or integral multiples thereof. 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. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

DESIGNATION:

The Notes **will be** deemed designated and will be treated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

AUTHORITY FOR AND PURPOSE OF ISSUE:

The Notes are authorized to be issued pursuant to the Constitution and laws of the State, including among others, the Town Law, the Local Finance Law and pursuant to a bond resolution duly adopted by the Board of Fire Commissioners of the Fire District on March 30, 2015.

The bond resolution authorized the issuance of up to $1,500,000 in serial bonds of the District to finance the construction of an addition to and the reconstruction of the Fire District building located at 10355 Main Street, Clarence, New York. Such resolution was approved by the qualified voters of the District at a Special Election on May 5, 2015.

The proceeds of the Notes, along with $300,000 of available funds of the District, will be used to redeem and renew, in part, an outstanding bond anticipation note of the District that was issued on June 13, 2018.

PROPOSAL REQUIREMENTS:

Proposals must be 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 such bidders selected by the Sale Officer by lot from among all such bidders.

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

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 Section 148 of the Code, 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.

The winning bidder shall, within one (1) hour after being notified of the award of the Notes, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of the Notes (the "Initial Reoffering Prices") as of the date of the award.

By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public) 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.

(1) <u>Hold the Price</u>. The winning bidder(s):

(a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide the District 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 within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Notes of such maturity 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 agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder 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) <u>Follow the Price</u>. The winning bidder(s):

(a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide the District 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 District and Bond Counsel information regarding the actual prices at which at least 10 percent of the Notes within each maturity of the Notes have been sold to the public,

(c) will provide the District 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 10 percent of each maturity of the Notes has been sold to the public, and

(d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder 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.

For purposes of the "hold the price" or "follow the price" requirement, a "maturity" refers to Notes that have the same interest rate, credit and payment terms.

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the District and Bond Counsel a certificate (the "Issue Price Certificate"), satisfactory to Bond Counsel, prior to the delivery of the Notes stating the applicable facts as described above. The form of Issue 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 Issue Price Certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

OFFICIAL STATEMENT: The District has **not** prepared an official statement in connection with the sale of the Notes; however information relating to the District is available upon request made to the District's Municipal Advisor (see below).

BOND RATING: The Notes are not rated.

ISSUER CONTACT:

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BOND COUNSEL:

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MUNICIPAL ADVISOR:

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rganci@capmark.org

BID PROPOSAL

Sandra Larkin, Treasurer
Clarence Fire District No. 1
c/o Capital Markets Advisors, LLC
4211 N. Buffalo Rd., Suite 19
Orchard Park, New York 14127

May 29, 2019

TELEPHONE: (716) 662-3910

FACSIMILE: (716) 662-6684

CLARENCE FIRE DISTRICT NO. 1
ERIE COUNTY, NEW YORK

$900,000 BOND ANTICIPATION NOTES, 2019

DATED: June 12, 2019

MATURITY DATE: June 11, 2020

Principal Amount	***Interest Rate***	***Premium***	***Net Interest Cost***
$900,000	%	$	%

Signature: ______________________________

Name of Bidder: ______________________________

Address of Bidder: ______________________________

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Telephone contact of Bidder (Area Code): ______________________________

Facsimile contact of Bidder (Area Code): ______________________________

Email of Bidder: ______________________________

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 purchaser):

- ❑ Book-Entry-Only registered to Cede & Co.
- ❑ Registered in the Name of the Purchaser

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 Price
  - ❑ Follow the Price

The bidder represents that it has an established industry reputation for underwriting new issuances of municipal bonds.
________ Yes
________ No