

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 County is using Parity as a communications mechanism, and not as the County's agent, to conduct the electronic bidding for the County's Notes. The County is not bound by any advice or determination of Parity as to whether any bid complies with the terms of this Notice of Sale. 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 County 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 County's municipal advisor, Capital Markets Advisors, LLC (the "Municipal Advisor") at (516) 570-0340 (provided that the County shall have no obligation to take any action whatsoever upon receipt of such notice).

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

Notwithstanding anything herein to the contrary, the County reserves the right to waive any technical defects, omissions or other deficiency in the form of any proposal submitted for consideration.

The Notes will be valid and legally binding general obligations of the County, for the payment of which the County will pledge its faith and credit. All the taxable real property in said County will be subject to the levy of ad valorem real estate taxes to pay the principal of the Notes and the interest thereon, without limitation as to rate or amount (subject to certain enacted statutory limitations imposed by Chapter 97 of the 2011 Laws of New York).

The New York State Constitution requires the County to pledge its faith and credit for the payment of the principal of the Notes and the interest thereon, and to make annual appropriations for the amounts required for the payment of such interest and principal on the Notes. The Constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the Notes and certain other obligations of the County, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes. The County Comptroller may be required to set apart and apply such revenues as aforesaid at the suit of any holder of the Notes.

The Notes will be issued in registered book-entry form. For Notes bearing the same rate of interest and CUSIP number, a single note will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("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, except for one necessary odd denomination. 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(s) at such interest rate. Both principal of and interest on said Notes will be paid in lawful money of the United States of America (Federal Funds) by the County 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 County 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. Interest will be calculated on a 30- day month and 360-day year basis, payable at maturity.

THE NOTES WILL NOT BE SUBJECT TO PRIOR REDEMPTION.

Bids may be made for all or a portion of the Notes. The minimum bid is \$10,000,000. All bids less than \$10,000,000 will be rejected. Each bid must state (i) the principal amount of the Notes to be purchased pursuant to such bid; (ii) in a multiple of one-hundredth (1/100th) or one-eighth (1/8th) of one percent, a rate of interest per annum which such Notes shall bear; and (iii) the premium offered, if any, in excess of the principal amount of the Notes bid for. Each bidder may submit one or more bids for all, or less than all, or the aggregate principal amount of the Notes offered, but each bid submitted must comply with the foregoing requirements. Conditional bids will be rejected.

The Notes will be awarded to the bidder(s) complying with the terms of sale and offering to purchase the Notes at the lowest net interest cost, that being the rate or rates of interest which will produce the least interest cost over the life of the Notes, after accounting for the premium offered, if any; provided, however, that if two or more bidders offer to purchase the Notes at the same lowest net interest cost, then such award will be made to one of said bidders selected by lot or by another customary method from among all said bidders.

The right is reserved by the County to award to any bidders(s) all or any part of the Notes which such bidder(s) offers to purchase and, in such event, the premium, if any, specified by such bidder(s) will be pro-rated. In any event, award of the Notes will be made on the basis of the bid or combination of bids offering to purchase the Notes on terms most favorable to the County.

The right is also reserved to reject any or all bids and any bid not complying with the terms of this notice 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 proposals until two 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. The Notes will be delivered and shall be paid for on or about the Date of Notes, at such place and on such business day and at such hour, as the Sale Officer and successful bidder shall mutually agree.

CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers 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 County; 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.

Each successful bidder will be furnished without cost with the approving opinion of the law firm of Hodgson Russ LLP, Albany, New York (“Bond Counsel”) to the effect that the Notes are valid and legally binding general obligations of the County for which the County has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the County is subject

to the levy of ad valorem real estate taxes to pay the Notes and the interest thereon without limitation of rate or amount (subject to certain enacted statutory limitations imposed by Chapter 97 of the 2011 Laws of New York).

Said opinion shall also contain further statements to the effect that (a) the enforceability of rights or remedies with respect to such Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted, and (b) although Bond Counsel has participated in the preparation of the Official Statement, it has not verified the accuracy, completeness, or fairness of the factual information contained therein, and, accordingly, Bond Counsel expresses no opinion as to whether the County, in connection with the sale of the Notes, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in light of the circumstances under which they were made, not misleading.

Any successful bidder may at his option refuse to accept the Notes if prior to their delivery the Tax Certificate (the "Certificate") referred to below in form and tenor satisfactory to Bond Counsel is not delivered or, if any income tax law of the United States of America is hereafter enacted which shall provide that the interest thereon is taxable, or shall be taxable at a future date for federal income tax purposes, and in any such case he will be relieved from his contractual obligation arising from the acceptance of his proposal.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excludable from gross income under Section 103 of the Code. As part of the County's contractual obligation arising from its acceptance of the successful bidder's proposal, the County will furnish the successful bidder, concurrently with the delivery of the Notes, with its Certificate which will contain provisions and procedures relating to compliance with the requirements of the Code and a certification to the effect that the County will comply with the provisions and procedures set forth therein, and that it will do and perform all acts and things necessary or desirable to assure that interest paid on the Notes is excludable from gross income under Section 103 of the Code.

Prospective bidders of the Notes should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Notes may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective bidders should consult their tax advisors as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Notes. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

The opinion of Bond Counsel shall also contain further statements to the effect that, in the opinion of Bond Counsel, under existing law, the interest on the Notes is excluded from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for the purpose of the individual alternative minimum tax imposed by the Code. However, such opinion will note that the County, by failing to comply with certain restrictions contained in the Code, may cause interest on the Notes to become subject to federal income taxation from the date of issuance of the Notes. Further such opinion shall state that under existing statutes, interest on the Notes is exempt from New York State and New York City personal income taxes.

THE NOTES WILL NOT BE DESIGNATED BY THE COUNTY AS “QUALIFIED TAX- EXEMPT OBLIGATIONS” PURSUANT TO THE PROVISIONS OF SECTION 265 OF THE CODE.

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 Regulation Section 1.148-1(f)(3)(i), including the requirement that bids be received from at least three (3) underwriters (as defined below) who have established industry reputations for underwriting new issuances of municipal bonds and notes (the “Competitive Sale Requirements”). The Municipal Advisor will advise the winning bidder(s) 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 an award of the Notes, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Notes (the “Initial Reoffering Price”) awarded to such bidder 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 (as defined below)) represents that it has an established industry reputation for underwriting new issuances of municipal bonds and notes and agrees that if it is a winning bidder and 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. In the event a bidder submits a bid via Parity, such bidder must notify the Municipal Advisor by email (jmorley@capmark.org) as to such election at the time such bid is submitted. If no election is made, the bidder shall be deemed to have selected (1) below.**

(1) **Hold the Price.** Such winning bidder:

(a) will make a bona fide offering to the public of each maturity of the Notes to be purchased by such winning bidder at the Initial Reoffering Price for such maturity 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 any Notes within a maturity to any person 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 such 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 or cause to be included within any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which either such winning bidder or another member of any underwriting syndicate

established by such winning bidder for the Notes is a party) relating to the initial sale of the Notes to the public, and in the related pricing wire, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

(2) **Follow the Price.** Such winning bidder:

(a) will make a bona fide offering to the public of each maturity of the Notes to be purchased by such winning bidder at the Initial Reoffering Price for such maturity 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 the Notes within each maturity have been first sold to the public; such reporting requirement, which may extend beyond the closing date of the Notes, will continue with respect to each maturity of the Notes until either (i) all of the Notes of such maturity have been sold, or (ii) the date on which the first price at which 10 percent of such maturity of the Notes has 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, and

(d) has or will include or cause to be included within any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which either such winning bidder or another member of any underwriting syndicate established by such winning bidder for the Notes is a party) relating to the initial sale of the Notes to the public and in the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

For purposes of the “Hold the Price” and “Follow the Price” requirements set forth in options (1) and (2) above, 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, each winning bidder shall submit to the Issuer a certificate (the “Issue Price Certificate”), satisfactory to Bond Counsel, prior to the delivery of the Notes stating the applicable facts as described above and containing information sufficient to enable the County to determine the “issue price” of the Notes as defined in Section 1273 or 1274 of the Code. The form of Issue Price Certificate is available by contacting Bond Counsel or the Municipal Advisor.

If a winning bidder is purchasing 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.

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) each winning bidder (unless such 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 such 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 such 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 50 percent common ownership, directly or indirectly, with such underwriter.

In making the representations described above, each 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.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the County, to provide to the County in writing, within two business days after the date of such award, all information which said purchaser determines is necessary for it to comply with the Rule, including all necessary pricing and sale information, information with respect to the purchase of bond insurance, if any, and underwriter identification. Within five business days following receipt by the County thereof, the County will furnish to the purchaser, in reasonable quantities as requested by the purchaser, copies of said Official Statement, updated as necessary, and supplemented to include said information. Failure by the purchaser to provide such information will prevent the County from furnishing such Official Statement as described above. The County shall not be responsible or liable in any manner for the purchaser’s determination of information necessary to comply with the Rule or for the accuracy of any such information provided by the purchaser or for failure to furnish such Official Statements as described above which results from a failure by the purchaser to provide the aforementioned information within the time specified. Acceptance by the purchaser of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligation of said County with respect to the preparation and delivery thereof.

The Preliminary Official Statement is in a form “deemed final” by the County for the purposes of Securities and Exchange Commission Rule 15c2-12, but may be modified or supplemented as noted above. In order to assist bidders in complying with Rule 15c2-12 and as part of the County’s contractual obligation arising from its acceptance of the successful bidder’s proposal, at the time of the delivery of the Notes the County will provide an executed copy of its “Undertaking to Provide Notices of Events,” a form of which is attached as Appendix D to the Official Statement. Said Undertaking will constitute a written agreement or contract of the County for the benefit of holders of and owners of beneficial interests in the Notes, to provide to the Municipal Securities Rulemaking Board, notice of the occurrence of certain material events as enumerated in said Rule 15c2-12.

The obligations hereunder to deliver or accept the Notes pursuant hereto shall be conditioned on the availability to each successful bidder at the time of delivery of the Notes of said approving opinion of Bond Counsel; of certificates in form and tenor satisfactory to said law firm evidencing the proper execution and delivery of the Notes and receipt of payment therefor and including a statement, dated as of the date of delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened relating to the Notes; and of the several certificates as described in the Official Statement under the heading "Documents Accompanying Delivery of the Notes."

Copies of the Notice of Sale, the Preliminary Official Statement and other information relating to the County may be obtained from the offices of Capital Markets Advisors LLC, telephone number (516) 570-0340 or by visiting www.capmark.org.

ALBANY COUNTY

By: /s/ Michael F. Conners, II
County Comptroller

Dated: May 14, 2019

PROPOSAL FOR NOTES

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Albany County - County Comptroller
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**COUNTY OF ALBANY
NEW YORK**

\$37,388,690

**PUBLIC IMPROVEMENT BOND ANTICIPATION NOTES – 2019 SERIES A
[Book-Entry-Only] [Non Bank Qualified]
(the “Notes”)**

DATED: June 6, 2019

MATURITY: November 21, 2019

	Amount	Interest Rate	Premium	Net Interest Cost*
Bid 1	\$	%	\$	%
Bid 2	\$	%	\$	%
Bid 3	\$	%	\$	%
Bid 4	\$	%	\$	%
Bid 5	\$	%	\$	%

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

Signature: _____

Name of Bidder: _____

Address: _____

Telephone (Area Code): _____

Fax (Area Code): _____