

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED JULY 11, 2022

NEW ISSUE

BOND ANTICIPATION NOTES

In the opinion of Norton Rose Fulbright US LLP, New York, New York, Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Notes will be excludable from gross income for federal income tax purposes under existing law, and interest on the Notes will not be subject to the alternative minimum tax. In the further opinion of Bond Counsel, under existing law 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). See "TAX MATTERS" herein for a description of the opinion of Bond Counsel and certain other tax consequences.

The Town will ***NOT*** designate the Notes as "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986.

TOWN OF WALLKILL ORANGE COUNTY, NEW YORK

\$24,145,100 BOND ANTICIPATION NOTES, 2022 (the "Notes")

Date of Issue: July 28, 2022

Maturity Date: July 28, 2023

The Notes are general obligations of the Town of Wallkill, Orange County, New York (the "Town"), and will contain a pledge of the faith and credit of the Town for the payment of the principal of and interest on the Notes. All the taxable real property within the Town will be subject to the levy of ad valorem taxes to pay principal of and interest on the Notes, without limitation as to rate or amount, for such purposes. (See "*Nature of Obligation*" and "*The Tax Levy Limit Law*," herein.)

The Notes will not be subject to redemption prior to maturity.

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

Principal of and interest on such Notes will be payable in federal funds by the Town to the registered owner(s).

If the Notes are issued in book-entry-only 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, 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. Principal of and interest on said Notes will be paid in Federal Funds by the Town 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 Town 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. (See "*Book-Entry-Only System*" herein.)

The Notes are offered when, as and if issued and received by the purchaser and subject to the receipt of the final unqualified legal opinion of Norton Rose Fulbright US LLP, New York, New York, Bond Counsel and certain other conditions. It is anticipated that delivery of the Notes will be made on or about July 28, 2022.

THE TOWN DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED. FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED, THIS OFFICIAL STATEMENT WILL BE UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S). THE TOWN WILL COVENANT IN AN UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE WITH RESPECT TO THE NOTES AS DEFINED IN THE RULE. SEE "DISCLOSURE UNDERTAKING" HEREIN.

Dated: July __, 2022

**TOWN OF WALLKILL
ORANGE COUNTY, NEW YORK**

TOWN BOARD

**George Serrano
Supervisor**

Mark Coyne Council Member

Eric Valentin Council Member

Neil Meyer Council Member

Eric Johnson..... Council Member

Louisa Ingrassia Town Clerk

Linda Harahan..... Receiver of Taxes

Blustein, Shapiro, Frank & Barone, LLP..... Town Attorney

BOND COUNSEL

**Norton Rose Fulbright US LLP
New York, New York**

INDEPENDENT AUDITORS

**PKF O'Connor Davies, LLP
Harrison, New York**

MUNICIPAL ADVISOR



**Capital Markets Advisors, LLC
Hudson Valley * Long Island * Southern Tier * Western New York
(516) 570-0340**

No person has been authorized by the Town to give any information or to make any representations not contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information, estimates, and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there have been no changes in the affairs of the Town since the date hereof.

TABLE OF CONTENTS

	<i>Page</i>		<i>Page</i>
THE NOTES	1	Budgetary Procedure	A-4
Description	1	Independent Audits.....	A-4
Authority for and Purpose of the Notes.....	1	Investment Policy	A-5
Book-Entry-Only System.....	2	Financial Operations.....	A-5
Nature of the Obligation.....	3	Revenues	A-6
The Tax Levy Limit Law	4	REAL PROPERTY TAXES.....	A-8
ENFORCEMENT OF REMEDIES UPON		Tax Collection Procedures.....	A-8
DEFAULT	4	Ten of the Largest Taxpayers	A-9
RISK FACTORS	6	The State Comptroller’s Fiscal Stress Monitoring	
Cybersecurity	7	System and Compliance Reviews	A-9
LITIGATION	7	TOWN INDEBTEDNESS.....	A-10
TAX MATTERS	8	Constitutional Requirements	A-10
Tax Exemption	8	Statutory Procedure	A-10
Tax Accounting Treatment of Discount and		Constitutional Debt-Contracting Limitation..	A-11
Premium on Certain Notes.....	9	Statutory Debt Limit and Net Indebtedness..	A-12
LEGAL MATTERS	10	Tax Anticipation Notes.....	A-12
DISCLOSURE UNDERTAKING.....	10	Bond Anticipation Notes	A-12
Compliance History.....	10	Environmental Facilities Corporation.....	A-12
MUNICIPAL ADVISOR	10	Trend of Capital Debt.....	A-12
RATING	10	Overlapping and Underlying Debt.....	A-13
ADDITIONAL INFORMATION	11	Debt Ratios.....	A-13
		Authorized but Unissued Debt.....	A-14
APPENDIX A - THE TOWN		Debt Service Schedule.....	A-14
THE TOWN	A-1	ECONOMIC AND DEMOGRAPHIC DATA	A-15
General Information	A-1	Population.....	A-15
Form of Government.....	A-1	Income.....	A-15
Services	A-1	Employment	A-15
Employees	A-2	Education.....	A-17
Employee Benefits	A-2	Financial Institutions	A-17
Other Postemployment Benefits.....	A-3	Transportation.....	A-17
FINANCIAL FACTORS	A-4	Utilities	A-17
Impacts of COVID-19	A-4	Culture and Recreation	A-17

APPENDIX B - UNAUDITED SUMMARY OF FINANCIAL STATEMENTS AND BUDGETS

APPENDIX C - LINK TO INDEPENDENT AUDITORS' REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

APPENDIX D - FORM OF LEGAL OPINION

APPENDIX E - FORM OF DISCLOSURE UNDERTAKING

OFFICIAL STATEMENT

**TOWN OF WALLKILL
ORANGE COUNTY, NEW YORK**

relating to

\$24,145,100

**BOND ANTICIPATION NOTES, 2022
(the “Notes”)**

This Official Statement, which includes the cover page and appendices hereto, presents certain information relating to the Town of Wallkill in the County of Orange, in the State of New York (the “Town,” “County,” and “State,” respectively), in connection with the sale of \$24,145,100 Bond Anticipation Notes, 2022 (the “Notes”).

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof and all references to the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that remain highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Town’s overall economic situation and outlook (and all of the specific Town-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which continue to be extremely difficult to predict and quantify. (See “RISK FACTORS” and “*Impacts of COVID-19*” herein.)

THE NOTES

Description

The Notes will be dated and will mature as reflected on the cover page hereof.

The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in registered form either registered in the name of the successful bidder(s) or registered to Cede & Co., as the partnership nominee for DTC. The Town will act as Paying Agent for the Notes. The Town contact information is as follows: George Serrano, Town Supervisor, 99 Tower Drive, Building A, Middletown, New York 10941, (845) 692-7832, e-mail: gserrano@townofwallkill.com.

Authority for and Purpose of the Notes

The Notes are issued pursuant to the State Constitution and statutes of the State, including among others, the Town Law and the Local Finance Law, and other proceedings and determinations relating thereto, including bond resolutions adopted by the Town Board (the “Board”) on various dates, authorizing the issuance of bonds to finance the various objects or purposes of the Town listed on the following page.

The proceeds from the sale of the Notes will be used to provide original financing for the projects listed below:

Purpose	Date Authorized	Amount of the Notes
Improvements to the Town’s Consolidated Water District	09/15/2021	\$ 13,354,679
Improvements to the Town’s Lorelei Water District	09/15/2021	38,421
Improvements to the Town’s Consolidated Sewer District	09/15/2021	1,500,000
Improvements to the Town’s Golf Course	09/15/2021	500,000
Acquisition of Dump Trucks	09/15/2021	752,000
Improvements to the Town’s Consolidated Sewer District	07/25/2019	<u>8,000,000</u>
		<u><u>\$24,145,100</u></u>

Book-Entry-Only System

If book-entry-only format is chosen, the Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Notes if issued as book-entry-only Notes. Such Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered note certificate will be issued for each note bearing the same rate of interest and CUSIP and deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Direct Participants and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the

Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the notes are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's Money Market Instruments (MMI) Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town, on payable dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

Nature of the Obligation

Each Note when duly issued and paid for will constitute a contract between the Town and the holder thereof.

Holders of any series of notes or bonds of the Town may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Town has power and statutory authorization to levy ad valorem taxes on all real property within the Town subject to such taxation by the Town subject to applicable statutory limitations.

The Tax Levy Limit Law

Although the State Legislature is limited by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay “interest on or principal of indebtedness theretofore contracted”, the State Legislature may from time to time impose additional limitations on the ability to issue new indebtedness or to raise taxes therefor.

Chapter 97 of the Laws of 2011, as amended (the “Tax Levy Limit Law” or the “Law”), generally applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities to levy certain year-to-year increases in real property taxes.

The Town has been subject to the Tax Levy Limit Law since January 1, 2012. Pursuant to the Tax Levy Limit Law, a local law must be adopted after a public hearing if a Town seeks to increase the tax levy by more than the lesser of (1) two percent (2%) or (ii) the annual increase in the consumer price index, over the amount of the Town’s prior year’s tax levy (the “Tax Levy Increase Limit”).

The Tax Levy Limit Law permits certain exceptions to the Tax Levy Increase Limit. The Town may levy taxes exceeding the Tax Levy Increase Limit, if necessary, to support the following expenditures: (i) funds needed to pay judgments arising out of tort actions that exceed five percent (5%) of the total tax levied by the Town in the prior fiscal year and (ii) required pension payments (but only that portion of such payments attributable to the average actuarial contribution rate exceeding two percentage points (2%)). Taxes necessary for these expenditures will not be included in the calculation of the Tax Levy Increase Limit.

The Tax Levy Limit Law also provides for adjustments to be made to the Town’s Tax Levy Increase Limit based upon changes in the assessed value of the taxable real property in the Town. The Town is also permitted to carry forward a certain portion of its unused tax levy capacity from the prior year.

Bonds and notes of the Town issued prior to the June 24, 2011 effective date of the Tax Levy Limit Law are payable from real property taxes that can be levied as necessary without regard to any Constitutional or statutory limit. Inasmuch as the Law has no exclusion for principal and interest on notes and bonds, however, levies required to pay principal and interest on notes and bonds will be included in the calculation of the Tax Levy Increase Limit. In the absence of administrative or judicial guidance, and with a lack of long-term experience operating under the Law, the effect of the Law on the Town’s finances and its ability to continue to levy taxes sufficient to both pay debt service on pre June 24, 2011 and post June 24, 2011 notes and bonds and meet its other governmental responsibilities is uncertain.

ENFORCEMENT OF REMEDIES UPON DEFAULT

The following description of factors affecting the possible enforcement of remedies upon a default by the Town is not intended to constitute legal advice and is not a substitute for obtaining the advice of counsel on such matters. Factors governing the availability of remedies against the Town are complex and the obligations of the Town, under certain circumstances, might not be enforced precisely as written.

General Municipal Law Contract Creditors' Provision. Each Note when duly issued and paid for will constitute a contract between the Town and the purchaser. Such contracts, if not honored, would generally be enforceable through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the Town upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum (9%) per annum from the date due to the date of payment. This provision might apply if there were a default in the payment of the principal of and interest on the Notes.

Unavailability of Remedies of Levy and Attachment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. Under the general rule with respect to municipalities, judgments against the Town may not be enforced by levy and execution against property owned by the Town.

Constitutional Non-Appropriation Provision. The Constitution of the State, Article VIII, Section 2, contains the following provision relating to the annual appropriation of monies for the payment of principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any owner of obligations issued for any such indebtedness." If the Town were to fail to make a required appropriation, however, the ability of affected owners of Town indebtedness to enforce this provision as written could be compromised or eliminated as described below under "Bankruptcy", "State Debt Moratorium Law" and "Possible Priority of Continuation of Essential Public Services".

Bankruptcy. The Federal Bankruptcy Code allows municipalities, such as the Town, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Should the Town file for relief under the Federal Bankruptcy Code there could be adverse effects on the owners of the Notes.

The State, in Section 85.80 of the Local Finance Law, has authorized any municipality in the State to file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Congress has enacted such a law in the form of the Federal Bankruptcy Code. Given the authority established in the aforesaid Section 85.80 of the Local Finance Law, the Federal Bankruptcy Code, under certain circumstances, can provide municipalities in New York with easier access to judicially approved adjustment of debt and can permit judicial control over identifiable and unidentifiable creditors.

Under the United States Constitution, Federal law is supreme and may be enforced irrespective of contrary state law. Accordingly, proceedings in accordance with the Federal Bankruptcy Code could result in an allocation of funds that fails to honor the faith and credit pledge required by the State Constitution.

No current State law purports to create any collateral or priority for owners of the Notes should the Town be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. The Notes could be deemed unsecured obligations of the Town in a bankruptcy case.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality that is insolvent, which generally means the municipality is unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors. Any plan of adjustment can be confirmed by the court over the objections of creditors if the plan is found to be "fair and equitable" and in the "best interests of creditors." The Town may be able, without the consent and over the objection of owners of the Notes, to impair and alter the terms and provisions of the Notes, including the payment terms, interest rate, maturity date, and payment sources, as long as the bankruptcy court finds that the alterations are "fair and equitable." If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

The rights of the owners of the Notes to receive interest and principal from the Town and the enforceability of the Town's faith and credit pledge to pay such interest and principal could be adversely affected by the restructuring of the Town's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of owners of debt obligations issued by the Town (including the Notes) to payment from monies retained in any fund or from other sources would be recognized if a petition were filed by or on behalf of the Town under the Federal Bankruptcy Code. Such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally, or might even be directed to satisfy other claims instead of being paid to the owners of the Notes.

Regardless of any specific adverse determinations in a bankruptcy proceeding of the Town, the fact of such a bankruptcy proceeding could have an adverse effect on the liquidity and market value of the Notes.

State Debt Moratorium Law. Unless the Federal Bankruptcy Code or other Federal Law applies, as described above, enforcement of the rights of Note owners will generally be governed by State law. In 1975, a general State law debt service moratorium statute was enacted.

Under that legislation, the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York was suspended. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

Accordingly, State legislation materially limiting the timing or manner of actions to enforce the faith and credit pledge against an issuer of general obligation debt (including that portion of Title 6-A of Article 2 of the Local Finance Law enacted in 1975 authorizing any municipality in a State-declared financial emergency period to petition to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality) could be determined to conflict with the State Constitution and may not be enforceable.

The State Constitutional provision providing for first revenue set asides applies to the payment of interest on all indebtedness and to the payment of principal payments or bonds, but does not apply to payment of principal due on tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Possible Priority of Continuation of Essential Public Services. In prior years, certain events and legislation affecting an owner's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of note or bond owners, such courts might hold that future events, including financial crises as they may occur in the State and in political subdivisions of the State, require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

No Past Due Debt. No principal of or interest on Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness.

RISK FACTORS

The financial and economic condition of the Town as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Town's control. Adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or significant taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, could occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Town to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The Town is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). There can be no assurance that the State appropriation for State Aid to the Town will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State Aid appropriated and apportioned to the Town can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget and other circumstances, including State fiscal stress. In any event, State Aid appropriated and apportioned to the Town can be paid only if the State has such monies available therefor. (See "*State Aid*" herein).

The Town's receipt of State Aid may be delayed as a result of the State's failure to adopt its budget timely and/or to appropriate State Aid to municipalities. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the novel coronavirus ("COVID-19") outbreak and other circumstances, including State fiscal stress. Should the Town fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the

amounts and at the times anticipated, occasioned by a delay in the payment of such moneys, the Town is authorized pursuant to the Local Finance Law (“LFL”) to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the Town will have market access for any such borrowing on a cost effective basis. (See also “*State Aid*” herein.)

Should the Town fail to receive monies expected from the State in the amounts and at the times expected, the Town is permitted to issue revenue anticipation notes in anticipation of the receipt of delayed State Aid.

If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note would decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note were sold prior to its maturity.

Amendments to the Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the Town. Any such future legislation could have an adverse effect on the market value of the Notes (See “TAX MATTERS” herein).

Cybersecurity

The Town, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

The Town has not had any cyber-attacks in recent years. For at least the last 3 years, the Town's network, data, email and computers have not experienced any virus, malware, or ransomware incidents. The Town uses a business-class firewall and a Business Continuity Disaster Recovery Backup system.

LITIGATION

The Town from time to time receives notices of claim and is party to litigation. In the opinion of the Town Attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no claims or actions pending which, if determined against the Town, would have an adverse material effect on the financial condition of the Town.

There are various proceedings pending against the Town brought pursuant to Article 7 of the Real Property Tax Law to review and reduce real estate assessments and obtain a refund for alleged overpayments of real estate taxes. Proceedings to review real estate assessments are currently being defended by the Town.

The results of tax certiorari proceedings cannot be ascertained at this time, however, future refunds resulting from an adverse settlement or judgment would be funded in the year of payment. It is believed that an adverse decision, in any or all of the current proceedings, in whole or in part, will not have a material impact on the financial condition of the Town. Pursuant to the New York State Local Finance Law, the Town may issue serial bonds to fund judgments and settled claims.

TAX MATTERS

Tax Exemption

The delivery of the Notes is subject to the opinion of Norton Rose Fulbright US LLP, New York, New York, bond counsel (“Bond Counsel”) to the effect that interest on the Notes for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the “Code”), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the Town made in a certificate (the “Tax Certificate”) dated the date of delivery of the Notes pertaining to the use, expenditure, and investment of the proceeds of the Notes and will assume continuing compliance by the Town with the provisions of the Tax Certificate subsequent to the issuance of the Notes. The Tax Certificate contains covenants by the Town with respect to, among other matters, the use of the proceeds of the Notes and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Notes are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage “profits” from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Notes to be includable in the gross income of the owners thereof from the date of the issuance.

Bond Counsel’s opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the Town described above. No ruling has been sought from the Internal Revenue Service (the “IRS”) with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel’s opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Notes is commenced, under current procedures the IRS is likely to treat the Town as the “taxpayer,” and the owners of the Notes would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Notes, the Town may have different or conflicting interests from the owners of the Notes. Public awareness of any future audit of the Notes could adversely affect the value and liquidity of the Notes during the pendency of the audit, regardless of its ultimate outcome.

In the opinion of Bond Counsel, under existing law interest on the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

Except as described above, Bond Counsel expresses no opinion with respect to any federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Notes. Prospective purchasers of the Notes should be aware that the ownership of tax-exempt obligations such as the Notes may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust (“FASIT”), and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change so as to reduce or eliminate the benefit to holders of the Notes of the exclusion of interest thereon from gross income for federal income tax purposes. Proposed legislative or administrative action, whether or not taken, could also affect the value and marketability of the Notes. Prospective purchasers of the Notes should consult with their own tax advisors with respect to any proposed changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Notes

The initial public offering price of certain Notes (the “Discount Obligations”) may be less than the amount payable on such Notes at maturity. An amount equal to the difference between the initial public offering price of a Discount Obligation (assuming that a substantial amount of the Discount Obligations of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Obligation. A portion of such original issue discount allocable to the holding period of such Discount Obligation by the initial purchaser will, upon the disposition of such Discount Obligation (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Notes described above under “Tax Exemption.” Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Obligation, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Obligation and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Obligation by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Obligation in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Obligation was held) is includable in gross income. Owners of Discount Obligations should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Obligations for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Obligations.

The purchase price of certain Notes (the “Premium Obligations”) paid by an owner may be greater than the amount payable on such Notes at maturity. An amount equal to the excess of a purchaser’s tax basis in a Premium Obligation over the amount payable at maturity constitutes premium to such purchaser. The basis for federal income tax purposes of a Premium Obligation in the hands of such purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Obligation. The amount of premium which is amortizable each year by a purchaser is determined by using such purchaser's yield to maturity. Purchasers of the Premium Obligations should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Obligations for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Obligations.

Notice 94-84, 1994-2 C.B. 559, states that the IRS is studying whether the stated interest portion of the payment at maturity on a short-term debt obligation (such as the Notes), that matures not more than one year from the date of issue, bears a stated fixed rate of interest and is described in Section 103(a) of the Code, is (i) qualified stated interest that is excluded from the stated redemption price at maturity of the obligation (within the meaning of Section 1273 of the Code) but is excluded from gross income pursuant to Section 103(a) of the Code, or (ii) is not qualified stated interest and, therefore, is included by the taxpayer in the stated redemption price at maturity of the obligation, creating or increasing (as to that taxpayer) original issue discount on the obligation that is excluded from gross income pursuant to Section 103(a) of the Code. Notice 94-84 states that until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, a taxpayer holding such obligations may treat the stated interest payable at maturity either as qualified stated interest or as included in the stated redemption price at maturity of the obligation. However, the taxpayer must treat the amounts to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Notice 94-84 does not address various aspects necessary to the application of the latter method (including, for example, the treatment of a holder acquiring its Notes other than in the original public offering or at a

price other than the original offering price). Each person considering acquiring the Notes should consult its own tax advisor with respect to the tax consequences of ownership of and of the election between the choices of treatment of the stated interest payable at maturity on the Notes.

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the unqualified legal opinion of Norton Rose Fulbright US LLP, Bond Counsel, New York, New York. Such legal opinion will be delivered in substantially the form attached hereto as Appendix D.

DISCLOSURE UNDERTAKING

This Official Statement is in a form “deemed final” by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). In accordance with the requirements of the Rule as the same may be amended or officially interpreted from time to time promulgated by the Securities and Exchange Commission (the “Commission”), the Town has agreed to provide, at the time of delivery of the Notes, an executed disclosure undertaking in substantially the form attached hereto as Appendix E.

Compliance History

The Town failed to timely file a notice of the incurrence of a Financial Obligation pursuant the Rule. Such filing, which has since been made, relates to the Town’s issuance of \$897,242 Drinking Water Statutory Installment Bond, Series 2021 through the New York State Environmental Facility Corporation (“EFC”) on June 10, 2021. Such bonds have a final maturity of January 8, 2051.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Great Neck, New York, (the “Municipal Advisor”) is an independent municipal advisor registered with the Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor has served as the independent financial advisor to the Town in connection with this transaction.

In preparing this Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for this Official Statement. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the Town to compile, review, examine or audit any information in this Official Statement in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the Town. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Notes.

RATING

On July 8, 2022, Standard & Poor’s Ratings Services (“S&P”) assigned its “SP-1+” rating to the Notes and reaffirmed the Town’s long-term, underlying rating of “AA” with stable outlook.

Such rating reflects only the view of such organization and any desired explanation of the significance of such rating should be obtained from S&P at the following address: Standard & Poor’s Rating Services, 55 Water Street, New York, New York 10041. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of S&P, circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of the Notes or the availability of a secondary market for the Notes.

ADDITIONAL INFORMATION

Additional information may be obtained from George Serrano, Town Supervisor, 99 Tower Drive, Building A, Middletown, New York 10941, (845) 692-7832, e-mail: gserrano@townofwallkill.com or from the Town's Municipal Advisor, Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, New York, 11021, (516) 570-0340.

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the Town management's beliefs as well as assumptions made by, and information currently available to, the Town management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Town files with the repositories. When used in Town documents or oral presentation, the words "anticipate", "believe", "intend", "plan", "foresee", "likely", "estimate", "expect", "objective", "projection", "forecast", "goal", "will, or "should", or similar words or phrases are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

Bond Counsel expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the Town for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

The Municipal Advisor may place a copy of this Official Statement on its website at www.capmark.org. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. The Municipal Advisor has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Town nor the Municipal Advisor assumes any liability or responsibility for errors or omissions on such website. Further, the Municipal Advisor and the Town disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. The Municipal Advisor and the Town also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

This Official Statement is submitted only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

TOWN OF WALLKILL,
ORANGE COUNTY, NEW YORK

By: _____
George Serrano
Supervisor and Chief Fiscal Officer

DATED: July __, 2022

APPENDIX A

THE TOWN

APPENDIX B

**UNAUDITED SUMMARY OF
FINANCIAL STATEMENTS AND BUDGETS**

**TOWN OF WALLKILL
GENERAL FUND
BALANCE SHEET
UNAUDITED PRESENTATION**

AS OF DECEMBER 31:

	2016	2017	2018	2019	2020
ASSETS					
Cash and Cash Equivalents	\$ 5,396,320	\$ 7,531,673	\$ 7,626,057	\$ 7,167,953	\$ 10,881,788
Accounts Receivables	241,849	247,490	380,779	684,140	236,192
Accounts Taxes	0	0	0	0	67,614
State and Federal Aid Receivable	751,761	1,391,459	308,858	363,606	304,781
Due From Other Governments	1,739,177	1,306,351	1,867,451	2,107,567	2,390,602
Due From Other Funds	314,199	551,263	541,017	711,017	1,044,290
Restricted Assets	0	0	0	0	0
Advances To Other Funds	0	0	0	0	0
	\$ 8,443,306	\$ 11,028,236	\$ 10,724,162	\$ 11,034,283	\$ 14,925,267
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts Payable	\$ 529,091	\$ 991,726	\$ 182,594	\$ 278,545	\$ 465,176
Accrued Liabilities	258,041	635,909	549,357	454,159	123,216
Employee Payroll Deductions	0	0	0	0	139,650
Deposits Payable	0	0	0	0	2,793,084
Due to Retirement System	782,772	861,237	783,862	90,780	1,006,509
Due To Other Funds	0	580,073	211,043	822,671	550,741
Deferred Revenues	0	0	0	132,634	0
Other Liabilities	0	0	0	0	0
	\$ 1,569,904	\$ 3,068,945	\$ 1,726,856	\$ 1,778,789	\$ 5,078,376
Fund Equity:					
Nonspendable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted	587,797	587,950	585,125	585,497	586,026
Committed	750,000	750,000	750,000	750,000	750,000
Assigned	12,597	92,486	486,954	199,652	1,095,417
Unassigned	5,523,008	6,528,855	7,175,227	7,720,345	7,415,448
	\$ 6,873,402	\$ 7,959,291	\$ 8,997,306	\$ 9,255,494	\$ 9,846,891
Total Liabilities and Fund Equity	\$ 8,443,306	\$ 11,028,236	\$ 10,724,162	\$ 11,034,283	\$ 14,925,267

The financial data presented has been excerpted from the Town's Annual Audited Financial Statements. Such presentation however has not been audited. Complete copies of the Town's audited financial statements are available upon request to the Town.

TOWN OF WALLKILL
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
UNAUDITED PRESENTATION

YEARS ENDED DECEMBER 31:

	2016	2017	2018	2019	2020
REVENUES:					
Real Property Taxes	\$ 5,359,083	\$ 6,112,853	\$ 6,330,369	\$ 6,432,354	\$ 6,432,354
Other Tax Items	926,069	471,796	499,753	626,555	675,967
Non Property Tax Items	4,229,874	4,447,036	4,605,748	4,769,538	4,537,895
Departmental Income	674,577	811,862	874,624	834,560	786,081
Intergovernmental Charges	0	0	241,537	438,610	380,285
Use Of Money And Property	79,407	246,619	234,800	263,421	222,463
Sale Of Property And					
Compensation For Loss	14,030	6,166	2,131	20,986	513,301
Licenses and Permits	650,375	693,407	749,827	706,690	586,084
Fines and Forfeitures	1,698,593	1,552,308	1,529,052	1,339,998	887,760
Interfund Revenue	0	0	0	0	0
State And Federal Aid	1,461,283	1,360,060	1,250,831	1,438,846	1,569,000
Miscellaneous	90,448	86,267	99,175	193,359	256,102
Total Revenues	15,183,739	15,788,374	16,417,847	17,064,917	16,847,292
EXPENDITURES:					
Current:					
General Government Support	2,726,021	2,557,944	2,423,827	2,706,773	2,556,382
Public Safety	5,227,046	5,008,567	5,526,876	6,682,471	5,938,076
Health	2,239	1,204	1,039	1,608	1,191
Transportation	945,519	642,426	837,036	912,173	780,270
Economic Assistance And Opportunity	9,333	7,900	5,818	8,732	3,300
Culture And Recreation	961,495	1,011,516	954,891	1,188,444	1,135,414
Home And Community Services	259,920	581,292	526,593	734,702	667,491
Employee Benefits	4,027,781	4,343,732	4,682,442	4,904,288	5,080,603
Debt Service	655,559	654,990	654,654	750,867	576,186
Total Expenditures	14,814,913	14,809,571	15,613,176	17,890,058	16,738,913
Excess of Revenues Over Expenditures	368,826	978,803	804,671	(825,141)	108,379
OTHER FINANCING SOURCES (USES):					
Issuance Premium	0	0	0	597,050	0
Refunding Bonds Issued	0	0	0	4,455,000	0
Payment to Refunding Bonds Escrow Agent	0	0	0	(4,953,419)	0
Sale of Real Property	24,979	23,740	13,920	3,000	0
Insurance Recoveries	101,749	100,775	145,924	273,204	113,155
Operating Transfers - In	61,325	115,000	108,500	743,494	500,553
Operating Transfers - Out	(37,500)	(132,429)	(35,000)	(35,000)	(130,690)
Total Other Financing Sources (Uses)	150,553	107,086	233,344	1,083,329	483,018
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	519,379	1,085,889	1,038,015	258,188	591,397
Fund Equity - Beginning of Year	6,354,023	6,873,402	7,959,291	8,997,306	9,255,494
Prior Period Adjustments	0	0	0	0	0
Residual Equity Transfer	0	0	0	0	0
Fund Equity - End of Year	\$ 6,873,402	\$ 7,959,291	\$ 8,997,306	\$ 9,255,494	\$ 9,846,891

The financial data presented has been excerpted from the Town's Annual Audited Financial Statements. Such presentation however has not been audited. Complete copies of the Town's audited financial statements are available upon request to the Town.

TOWN OF WALLKILL
OTHER GOVERNMENTAL ⁽¹⁾
BALANCE SHEET
UNAUDITED PRESENTATION

AS OF DECEMBER 31:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
ASSETS					
Cash and Cash Equivalents	\$ 11,361,876	\$ 12,064,604	\$ 14,283,894	\$ 15,383,133	\$ 14,580,852
Accounts Receivables	30,110	34,561	11,514	29,610	31,941
Water and Sewer Rents	1,695,174	1,879,242	1,985,615	2,345,649	2,565,206
Due From Other Funds	2,019,584	2,107,978	1,040,378	668,584	2,594,149
Due From Other Governments	28,629	45,890	36,124	49,120	32,748
Total Assets	\$ <u>15,135,373</u>	\$ <u>16,132,275</u>	\$ <u>17,357,525</u>	\$ <u>18,476,096</u>	\$ <u>19,804,896</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts Payable	\$ 242,702	\$ 493,911	\$ 315,109	\$ 410,846	\$ 535,075
Accrued Liabilities	116,652	122,518	146,545	179,684	78,160
Due to Retirement System	270,550	295,996	274,479	283,646	304,340
Due To Other Funds	147,707	233,319	342,707	327,707	966,680
Due To Other Governments	0	0	0	46,223	0
Deferred Revenues	0	0	0	0	0
Total Liabilities	\$ <u>777,611</u>	\$ <u>1,145,744</u>	\$ <u>1,078,840</u>	\$ <u>1,248,106</u>	\$ <u>1,884,255</u>
Fund Equity:					
Committed	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Restricted	539,676	807,320	699,617	826,181	1,370,994
Assigned	13,518,086	13,879,211	15,279,068	16,101,809	16,249,647
Unassigned	0	0	0	0	0
Total Fund Equity	\$ <u>14,357,762</u>	\$ <u>14,986,531</u>	\$ <u>16,278,685</u>	\$ <u>17,227,990</u>	\$ <u>17,920,641</u>
Total Liabilities and Fund Equity	\$ <u><u>15,135,373</u></u>	\$ <u><u>16,132,275</u></u>	\$ <u><u>17,357,525</u></u>	\$ <u><u>18,476,096</u></u>	\$ <u><u>19,804,896</u></u>

(1) Other Major Governmental Funds Include: Highway, Sewer, Water, Lighting, Roads and Drainage.

The financial data presented has been excerpted from the Town's Annual Audited Financial Statements.

Such presentation however has not been audited.

Complete copies of the Town's audited financial statements are available upon request to the Town.

TOWN OF WALLKILL
OTHER MAJOR GOVERNMENTAL FUNDS ⁽¹⁾
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
UNAUDITED PRESENTATION

FOR YEARS ENDED DECEMBER 31:

	2016	2017	2018	2019	2020
REVENUES:					
Real Property Taxes	\$ 7,149,773	\$ 7,593,170	\$ 7,622,665	\$ 8,096,774	\$ 8,203,344
Other Tax Items	503,015	82,235	91,778	70,344	42,473
Intergovernmental Charges	207,496	245,776	273,556	266,811	200,750
Departmental Income	4,657,293	4,622,736	4,886,262	5,375,997	5,309,551
Use Of Money And Property	22,242	16,201	47,677	240,279	146,679
Sale Of Property And					
Compensation For Loss	61,198	79,219	30,289	34,191	33,237
Interfund Revenues	175,615	121,474	196,573	213,712	132,576
State Aid	423,959	497,426	488,622	488,760	390,979
Federal Aid	0	0	0	0	0
Miscellaneous	192,498	125,646	219,598	120,441	240,615
Total Revenues	13,393,089	13,383,883	13,857,020	14,907,309	14,700,204
EXPENDITURES:					
Current:					
General Government Support	3,414	3,239	3,091	3,259	0
Health	0	0	0	0	266
Transportation	4,047,593	4,309,713	3,862,900	4,562,602	4,197,879
Home And Community Services	4,514,210	4,864,573	4,384,948	4,915,842	4,508,831
Employee Benefits	2,051,234	2,191,771	2,281,882	2,328,212	2,476,218
Debt Service	725,244	1,216,025	1,396,483	1,616,789	1,620,574
Total Expenditures	11,341,695	12,585,321	11,929,304	13,426,704	12,803,768
Excess of Revenues Over (Under) Expenditures	2,051,394	798,562	1,927,716	1,480,605	1,896,436
OTHER FINANCING SOURCES (USES):					
Proceeds From Installment Debt	0	0	0	0	0
Proceeds From Serial Bonds	0	0	0	0	0
BANs Redeemed From Appropriations	0	0	0	0	0
Operating Transfers - In	864	139,753	93,119	36,480	236,602
Operating Transfers - Out	(4,497,693)	(309,546)	(728,681)	(567,780)	(1,440,387)
Total Other Financing Sources (Uses)	(4,496,829)	(169,793)	(635,562)	(531,300)	(1,203,785)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(2,445,435)	628,769	1,292,154	949,305	692,651
Fund Balances - Beginning of Year	16,803,197	14,357,762	14,986,531	16,278,685	17,227,990
Adjustments (2)	0	0	0	0	0
Fund Balances - End of Year	\$ 14,357,762	\$ 14,986,531	\$ 16,278,685	\$ 17,227,990	\$ 17,920,641

(1) Other Major Governmental Funds Include: Highway, Sewer, Water, Lighting, Roads and Drainage.

The financial data presented on this page has been excerpted from the audited financial statements of the Town. Such presentation however has not been audited. Complete copies of the Town's audited financial statements are available upon request to the Town.

**TOWN OF WALLKILL
2021 OPERATING BUDGET**

	General Fund	Highway Fund	Consolidated Water Dist Fund	Consolidated Sewer Dist Fund	Combined Totals
ESTIMATED REVENUES:					
Real Property Taxes	\$ 7,059,457	5,097,856	1,340,473	1,637,770	\$ 15,135,556
Chargeback from Agencies	0	0	0	0	0
Other Payments in Lieu of Taxes	123,873	47,843	0	0	171,716
Real Property Tax Items	39,000	0	0	0	39,000
Non-Property Taxes	4,744,889	0	0	0	4,744,889
Departmental Income	720,791	1,000	2,328,000	2,307,000	5,356,791
Intergovernmental Charges	481,767	217,670	0	0	699,437
Use Of Money And Property	194,000	7,500	20,000	20,000	241,500
Licenses And Permits	709,500	0	0	0	709,500
Fines And Forfeitures	800,000	0	0	0	800,000
Sale Of Property And Compensation For Loss	501,000	6,000	0	0	507,000
Interfund Revenue	0	198,680	0	0	198,680
State Aid	1,018,321	572,074	0	0	1,590,395
Federal Aid	275,000	0	0	0	275,000
Water/Sewer Mgt Charge	0	0	0	0	0
Miscellaneous	99,600	76,600	10,000	10,000	196,200
Total Estimated Revenues	16,767,198	6,225,223	3,698,473	3,974,770	30,665,664
APPROPRIATIONS:					
Current:					
General Government Support	2,714,912	2,637	100,000	100,000	2,917,549
Public Safety	6,899,367	0	0	0	6,899,367
Health	1,000	0	0	0	1,000
Transportation	683,390	4,509,643	0	0	5,193,033
Economic Assistance And Opportunity	11,300	0	0	0	11,300
Culture And Recreation	930,830	0	0	0	930,830
Home And Community Services	654,510	0	1,924,600	2,058,350	4,637,460
Interfund Transfers	233,674	0	673,134	606,237	0
Employee Benefits	5,508,579	1,782,300	543,786	543,686	8,378,351
Debt Service	578,056	312,466	513,406	666,497	2,070,425
Total Appropriations	18,215,618	6,607,046	3,754,926	3,974,770	32,552,360
Excess Of Estimated Revenues Over Appropriations	(1,448,420)	(381,823)	(56,453)	0	(1,886,696)
OTHER FINANCING SOURCES (USES):					
Operating Transfers - In	475,000	0	4,770	0	0
Operating Transfers - Out	0	0	0	0	0
Total Other Financing Sources (Uses)	475,000	0	4,770	0	0
APPROPRIATED FUND BALANCE	\$ 973,420	\$ 381,823	\$ 51,683	\$ 0	\$ 1,406,926

**TOWN OF WALLKILL
2022 OPERATING BUDGET**

	General Fund	Highway Fund	Consolidated Water Dist Fund	Consolidated Sewer Dist Fund	Combined Totals
ESTIMATED REVENUES:					
Real Property Taxes	\$ 6,683,338	6,088,251	0	0	\$ 12,771,589
Chargeback from Agencies	0	0	0	0	0
Other Payments in Lieu of Taxes	185,054	49,411	0	0	234,465
Real Property Tax Items	39,000	0	1,402,241	1,675,786	3,117,027
Non-Property Taxes	7,120,000	0	0	0	7,120,000
Departmental Income	859,234	78,998	2,940,086	2,707,530	6,585,848
Intergovernmental Charges	465,900	238,228	0	0	704,128
Use Of Money And Property	120,000	7,500	20,200	20,000	167,700
Licenses And Permits	809,100	0	0	0	809,100
Fines And Forfeitures	950,000	0	0	0	950,000
Sale Of Property And Compensation For Loss	0	0	0	0	0
Interfund Revenue	639,750	435,614	4,770	0	1,080,134
State Aid	1,236,191	407,400	0	0	1,643,591
Federal Aid	260,000	0	0	0	260,000
Water/Sewer Mgt Charge	75,000	0	0	0	75,000
Miscellaneous	0	0	0	0	0
Total Estimated Revenues	19,442,567	7,305,402	4,367,297	4,403,316	35,518,582
APPROPRIATIONS:					
Current:					
General Government Support	3,062,866	32,000	100,000	100,000	3,294,866
Public Safety	7,322,182	0	0	0	7,322,182
Health	0	0	0	0	0
Transportation	694,771	5,335,540	0	0	6,030,311
Economic Assistance And Opportunity	11,500	0	0	0	11,500
Culture And Recreation	1,326,512	0	0	0	1,326,512
Home And Community Services	716,792	0	2,765,550	2,414,380	5,896,722
Interfund Transfers	244,934	0	372,400	769,889	0
Employee Benefits	6,175,890	1,821,597	578,247	578,247	9,153,981
Debt Service	577,120	116,265	577,295	540,800	1,811,480
Total Appropriations	20,132,567	7,305,402	4,393,492	4,403,316	36,234,777
Excess Of Estimated Revenues Over Appropriations	(690,000)	0	(26,195)	0	(716,195)
OTHER FINANCING SOURCES (USES):					
Operating Transfers - In	0	0	0	0	0
Operating Transfers - Out	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
APPROPRIATED FUND BALANCE	\$ 690,000	\$ 0	\$ 26,195	\$ 0	\$ 716,195

APPENDIX C

**LINK TO
INDEPENDENT AUDITORS' REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020**

Can be accessed on the Electronic Municipal Market Access (“EMMA”) website
of the Municipal Securities Rulemaking Board (“MSRB”)
at the following link:

<https://emma.msrb.org/P11631059.pdf>

**The audited financial statements referenced above are hereby incorporated into the attached
Official Statement.**

*** Such Financial Statements and opinion are intended to be representative only as of the date
thereof. PKF O’Connor Davies, LLP has not been requested by the Town to further review
and/or update such Financial Statements or opinion in connection with the preparation and
dissemination of this Official Statement. In addition, PKF O’Connor Davies, LLP has not been
requested to reviewed information included in the Official Statement.**

APPENDIX D

FORM OF LEGAL OPINION

July 28, 2022

Town of Wallkill,
County of Orange,
State of New York

Norton Rose Fulbright US LLP
1301 Avenue of the Americas
New York, New York 10019-6022
United States

Tel +1 212 318 3000
Fax +1 212 318 3400
nortonrosefulbright.com

Re: Town of Wallkill, Orange County, New York
\$24,145,100 Bond Anticipation Notes, 2022

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$24,145,100 Bond Anticipation Notes, 2022 (the "Obligation"), of the Town of Wallkill, Orange County, New York (the "Obligor"), dated July 28, 2022 and payable July 28, 2023, at maturity.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986 (the "Code"), including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder;
- (3) a tax certificate (the "Tax Certificate") executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes; and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligation, including the form of the Obligation. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Tax

Norton Rose Fulbright US LLP is a limited liability partnership registered under the laws of Texas.

Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa Inc are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are available at nortonrosefulbright.com.

Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, without limitation as to rate or amount, except as to certain statutory limitations which may result from the application of Chapter 97 of the Laws of 2011 of the State of New York, as amended, provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said state or the federal government affecting the enforcement of creditors' rights; and (ii) may be subject to the exercise of judicial discretion.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said state or the federal government affecting the enforcement of creditors' rights.
- (c) Under existing law, interest on the Obligation (1) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof for Federal income tax purposes, pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, assuming continuing compliance after the date hereof by the Obligor with the provisions of the Tax Certificate, and (2) will not be included in computing the Federal alternative minimum taxable income of the owners thereof. Under existing law, interest on the Obligation is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

We express no opinion with respect to any other federal, state or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Obligation. Ownership of tax-exempt obligations such as the Obligation may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income tax credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

The scope of our engagement in relation to the issuance of the Obligation has extended solely to the examination of the facts and law incident to rendering the opinion expressed herein. Such opinion is not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligation, 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 the light of the circumstances under which they were made, not misleading.

Very truly yours,

APPENDIX E

FORM OF DISCLOSURE UNDERTAKING

**EVENT NOTICES CERTIFICATE
PURSUANT TO RULE 15c2-12 OF THE
SECURITIES AND EXCHANGE COMMISSION**

On the date hereof, the Issuer is issuing the Notes, and hereby undertakes, in accordance with the requirements of the Rule, as follows:

A. Definitions. As used in this Undertaking, the following terms have the meanings ascribed to such terms below:

“Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii); provided that “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Issuer” means the Town of Wallkill, Orange County, New York.

“MSRB” means the Municipal Securities Rulemaking Board.

“Notes” means the Issuer’s \$24,145,100 Bond Anticipation Notes, 2022, dated July 28, 2022.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Undertaking” means this Disclosure Undertaking.

B. Event Notices. The Issuer shall provide notice of any of the following events with respect to the Notes to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax-exempt status of the Notes, or other material events affecting the tax status of the Notes;
- (7) Modifications to rights of holders of the Notes, if material;
- (8) Bond or Note calls, if material, and tender offers;

- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Notes, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the Issuer, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of Issuer, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide a notice described in “B”, above, by the time required by this Undertaking.

C. Filings with the MSRB. All notices and other documents provided to the MSRB in accordance with this Undertaking shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

D. Limitations, Disclaimers, and Amendments. The Issuer shall be obligated to observe and perform the covenants specified in this Undertaking for so long as, but only for so long as, the Issuer remains an “obligated person” with respect to the Notes within the meaning of the Rule.

The provisions of this Undertaking are for the sole benefit of the holders and beneficial owners of the Notes, and nothing in this Undertaking, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer

undertakes to provide only the notices which it has expressly agreed to provide pursuant to this Undertaking and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Undertaking or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Notes at any future date.

UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY NOTE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS UNDERTAKING, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Undertaking shall constitute a breach of or default on the Notes.

Nothing in this Undertaking is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

The provisions of this Undertaking may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Undertaking, as so amended, would have permitted an underwriter to purchase or sell Notes in the primary offering of the Notes in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) a majority of the holders of the Notes consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holders and beneficial owners of the Notes. The Issuer may also repeal or amend the provisions of this Undertaking if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the Issuer also may amend the provisions of this Undertaking in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Notes in the primary offering of the Notes, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule.

IN WITNESS WHEREOF, I have hereunto set my hand this July 28, 2022

Supervisor