

Capital Markets Advisors, LLC

Independent Municipal Advisors

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Office locations:

Long Island

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To: All Bidders
From: Anthony Nash
Re: City of Yonkers, New York
Date: November 14, 2024

TERM SHEET

ISSUER: City of Yonkers (the “City”)
Westchester County, New York

ISSUE: \$3,000,000 General Obligation Bond Anticipation Notes – 2024A
(the “Notes”)

SALE DATE: November 21, 2024

SALE TIME: 11:00 A.M. EST

DATE OF DELIVERY: December 6, 2024

DATE OF MATURITY: December 5, 2025

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

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

LIMITED OFFERING: The Notes are being offered pursuant to the limited offering exemption of Section (d)(1) of Rule 15c2-12 (“Rule 15c2-12”) of the Securities Exchange Act of 1934 (the “Exchange Act”). Each purchaser will be deemed to have made the representations and warranties set forth below.

1. Each purchaser has confirmed that the Notes will be acquired for investment for such purchaser’s own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that such purchaser has no present intention of selling, granting any participation in, or otherwise distributing the Notes. By purchasing the Notes, each purchaser has further represented that such purchaser does not currently have any contract, undertaking, agreement, or arrangement with any person to sell, transfer, or grant participations to such person or to any third-party, with respect to any of the Notes.
2. Each purchaser of the Notes has confirmed its understanding that the offering of the Notes is being made (a) in reliance on the

limited offering exemption of Section (d)(1) of Rule 15c2-12 of the Exchange Act, and (b) without registration under, and in reliance upon an exemption from, the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”). Section (d)(1)(i) of Rule 15c2-12 provides that the rule will not apply to a primary offering of municipal securities in authorized denominations of \$100,000 or more, if such securities are sold to no more than thirty-five (35) persons each of whom the participating underwriter reasonably believes (1) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment and (2) is not purchasing for more than one account or with a view to distributing the securities.

TAX-EXEMPT STATUS:

The opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the City, shall state that under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described in the Tax Certificate executed by the City, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code; however, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, the opinion of Bond Counsel to the City shall also state that under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York and the City of Yonkers.

**BIDDING
REQUIREMENTS:**

Sealed proposals, telephone proposals, fax proposals and proposals via iPreo’s Parity Electronic Bid Submission System (“Parity”) will be received at the place and time on the Sale Date as herein indicated, for the purchase at not less than par and accrued interest of the Notes as herein described. No other form of electronic bidding services will be accepted. The number for telephone proposals is (516) 487-9817. The number for FAX proposals is (516) 487-2575. Bidders submitting proposals via facsimile must use the “Proposal for Notes” form attached hereto.

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

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

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

Bids must be for all of the Notes. The minimum bid shall be \$3,000,000. All bids less than \$3,000,000 will be rejected. Each bid must state: (i) the principal amount of the Notes to be purchased pursuant to such bid and (ii) in a multiple of one-hundredth (1/100th) or one-eighth (1/8th) of one percent, a rate of interest per annum which the Notes bid shall bear. Interest will be calculated on the basis of a 30-day month and 360-day year. Each bidder may submit one or more bids for all, or less than all, of the aggregate principal amount of the Notes offered, but each bid submitted must comply with the foregoing requirements. Conditional bids will be rejected.

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

Unless all bids are rejected, the Notes will be awarded and sold to the bidder(s) complying with the terms of sale and offering to purchase the Notes at the lowest net interest cost. The right is reserved by the City to award to any bidder all or any part of the Notes which such bidder offers to purchase. If two or more such bidders offer the same lowest net interest cost, then the Notes will be awarded and sold to one of said bidders selected by the City's Commissioner of Finance and Management Services by lot from among all said bidders. The right is further reserved by the City to reject any or all bids, and any bid not complying with this Term Sheet will be rejected.

Award of the Notes is expected to be made promptly after opening of the bids, but the successful bidder(s) may not withdraw their proposals until two (2) hours after the time set forth above on the day of such bid opening and then only if such award has not been made prior to the withdrawal.

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

bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes.

Each prospective bidder who wishes to submit an electronic bid shall be solely responsible to register to bid via Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Term Sheet. Neither the City nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the City nor Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by Parity. The City is using Parity as a communications mechanism, and not as the City's agent, to conduct the electronic bidding for the City's Notes. The City is not bound by any advice or determination of Parity as to whether any bid complies with the terms of this Term Sheet. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the City 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 City's Municipal Advisor, Capital Markets Advisors, LLC at (516) 487-9817 (provided that the District shall have no obligation to take any action whatsoever upon receipt of such notice).

If any provisions of this Term Sheet shall conflict with information provided by Parity, as approved provider of electronic bidding services, this Term Sheet shall control. Further information about Parity, including any fee charged, may be obtained from Parity at (212) 849-5021. The time maintained by Parity shall constitute the official time with respect to all bids submitted.

**AUTHORITY FOR AND
PURPOSE OF ISSUE:**

The Notes shall be issued pursuant to the Constitution, the Laws of the State and the Special Local Finance and Budget Act of the City of Yonkers constituting Chapters 488 and 489 of the Laws of 1976 of the State (the "Act"); and a special bond ordinance duly adopted by the City Council on November 12, 2024 and subsequently approved by the Mayor as reflected in the table on the following page:

Object or Purpose	Remaining Amount Authorized	Amount to Notes
Special Ordinance 56-2024		
Preparation of design plans and specifications for capital projects to be undertaken pursuant to the Yonkers CSD Joint Schools Construction and Modernization Act	\$ 3,000,000	\$ 3,000,000

SECURITY FOR THE NOTES:

The Notes are valid and legally binding general obligations of the City for which the City has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the City is subject to the levy of ad valorem real estate taxes to pay the Note and interest thereon, subject to certain statutory limitations imposed under Chapter 97 of the New York Laws of 2011, as amended. 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.

In addition, the Act provides the purchasers of the City's bonds and notes, including the Notes, with special contractual safeguards not typically afforded to the holders of general obligation debt of most other municipalities in the State. In particular, the Notes will be entitled to certain benefits of the provisions of the special ordinances adopted by the City Council authorizing each issue of City bonds since 1976 (collectively, the "Sale Ordinance"), including certain covenants of the City contained therein and certain rights of City bondholders to enforce such covenants. Such Sale Ordinance constitutes the special contract and credit agreement with bondholders authorized by the City in accordance with the Act. The Sale Ordinance reaffirms the requirements of the Act, and the safeguards and provisions which apply to the aforesaid obligations issued by the City in 1976 and thereafter, that the City appropriate in its budget for each fiscal year the amounts required for such year to pay Special Debt Service (as hereinafter defined), as well as the amounts estimated to be required for interest on tax anticipation and revenue anticipation notes anticipated to be issued and to mature in such fiscal year.

Pursuant to the Act, the City has established a special debt service fund (the "Debt Service Fund"), which is maintained with the State Comptroller, acting as Fiscal Agent (the "Fiscal Agent"). Funds in the Debt Service Fund must only be used for the purpose of paying Special Debt Service. "Special Debt Service" means with respect to a fiscal year, the amount required for the punctual payment of (a) all principal due or becoming due and payable in said year with respect to any serial bonds, tax anticipation notes, revenue anticipation

notes, capital notes or budget notes of the City, and all principal amortization for said year required by law with respect to bond anticipation notes or urban renewal notes or other obligations of the City and (b) all interest due or becoming due and payable in said year with respect to any obligations of the City, including the Notes. In each fiscal year, a percentage of all City ad valorem real property taxes, together with the proceeds of a special one percent sales and use tax authorized by Chapter 871 of the State Laws of 1975, as amended, must be deposited, as received, into the Debt Service Fund. The percentage of all ad valorem real property taxes is to be deposited in the Debt Service fund is determined according to the following formula and calculated at the commencement of each fiscal year:

$$\frac{\text{Total appropriation for Special Debt Service}}{\text{Total City ad valorem real property tax levy less reserve for uncollected}} = \text{Debt Service Percentage}$$

Immediately upon receipt of any ad valorem real property tax payments during each fiscal year, the City is required to remit the total of such payments to the Fiscal Agent, who will deposit into the Debt Service Fund the portion of such payment equal to the Debt Service Percentage. The remainder of such payment is then paid over to the City Comptroller, subject to certain limitations, for City use.

The Sale Ordinance states that bond anticipation notes cannot be issued by the City during any fiscal year having a maturity of principal or interest due and payable in such fiscal year unless such bond anticipation notes provide by their terms that no such principal or interest shall be payable from the Debt Service Fund, unless the City deposits in the Debt Service Fund moneys sufficient to provide for the payment of such principal and interest. It is expected that the principal of the Notes will not be paid from the Debt Service Fund, rather such principal is expected to be paid from the proceeds of serial bonds or renewal notes to be issued by the City. It is expected that interest on the Notes will be paid from the Debt Service Fund.

The Act further provides that no obligations, other than bonds, bond anticipation notes, such as the Notes, or capital notes, shall be issued unless such notes are countersigned and authenticated by the Fiscal Agent.

Significant features of the Act and the Sale Ordinance as they relate to Notes include:

- a) the State pledge and agreement not to impair the City's contract with noteholders and the City's duty to comply with the Act;

- b) the budgeting requirements applicable to the City which help to ensure against overestimated revenues and underestimated expenditures;
- c) the deposit of the proceeds of the bonds and bond anticipation notes with the Fiscal Agent and the requisition of such proceeds by the City in accordance with the Act; and
- d) the pledges and covenants made by the City, pursuant to the Act and/or special ordinances.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York (the "State"), including the Act, and acts and proceedings of the City, including the Sale Ordinance, 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 City relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

A copy of the Act and the most recent Special Ordinance adopted on September 10, 2024 by the City Council is available upon request.

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

DENOMINATIONS: Individual purchases of the Notes shall be made in denominations of \$100,000 or integral multiples thereof.

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

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

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

principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein.

CUSIP identification numbers will be printed on the book-entry only notes if Bond Counsel is provided with such number(s) by the close of business on the Sale Date of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery and pay for the Notes in accordance with the terms hereof. It shall be the responsibility of the City's Municipal Advisor to obtain CUSIP numbers for the Notes within one day after distribution of this Term Sheet. The City will not be responsible for any delay occasioned by the inability to deposit the Notes with DTC due to the failure of the City's Municipal Advisor to obtain such numbers and to supply them to the City in a timely manner. The CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the winning bidder; however, all expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the City. For those Notes issued in registered form, the City will act as Paying Agent for the Notes. Paying agent fees, if any, will be paid by the purchaser.

BANK QUALIFICATION: The Notes will **NOT** be designated as qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

**ISSUE PRICE
CERTIFICATE:**

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a "courtesy bid" being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the "issue price" of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the "Competitive Sale Requirements"). The Municipal Advisor will advise the winning bidder(s) if the Competitive Sale Requirements were met at the same time it notifies the winning bidder(s) of the award of the Notes. **Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.**

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

By submitting a bid, the winning bidder(s) agrees (unless the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. *Such election must be made on the bid form submitted by each bidder.*

(1) **Hold the Price.** The winning bidder(s):

- (a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,
- (b) will neither offer nor sell to any person any Notes within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Notes of such maturity at a price that is no higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Notes, and
- (c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

(2) **Follow the Price.** The winning bidder(s):

- (a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide the Issuer 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 Issuer information regarding the first price that at least 10 percent of the Notes within each maturity of the Notes have been sold to the public,
- (c) will provide the Issuer with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Notes, will continue until such date that the requirement set forth in paragraph (b) above for each maturity of the Notes is satisfied, and
- (d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

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

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the Issuer a certificate (the “Reoffering Price Certificate”), satisfactory to Bond Counsel, prior to the delivery of the Notes stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the Municipal Advisor.

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

For purposes of this Notice, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder 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). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Notes.

INVESTOR’S LETTER: Each purchaser shall be required to provide an investor’s letter to Bond Counsel and the City, in the form attached hereto as **Exhibit B**, at closing.

OFFICIAL STATEMENT: The City has **NOT** prepared an official statement in connection with the issuance of the Notes. The City last prepared an Official Statement in connection with the issuance of its \$13,765,000 School Serial Bonds–2024C and \$11,455,000 General Obligation Serial Bonds–2024D (Federally Taxable) dated September 11, 2024. Said Official Statement speaks only as of its date; however, the City believes that there has been no material adverse change to the City’s financial condition or operation since the date of said Official Statement.

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

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

CREDIT RATING: The Notes are not rated. On August 27, 2024, Moody’s Investors Service, Inc. (“Moody’s”) affirmed the rating of “A2” with a stable outlook to the uninsured, outstanding bonded indebtedness of the City. At the same time, Moody’s affirmed the enhanced rating assigned to bonds issued by the City on behalf of the Board of Education on account of the State aid intercept authorized by Section 99-b of the State Finance Law of “Aa3”, including such bonds. Also on August 27, 2024, S&P Global Ratings affirmed the rating of “A+” with a stable outlook from the uninsured, outstanding bonded indebtedness of the City.

ISSUER: Mr. John A. Liszewski
Commissioner of Finance and Management Services
City of Yonkers
1 Larkin Center
Yonkers, New York 10701
Telephone: (914) 377-6160

BOND COUNSEL: Hawkins Delafield & Wood, LLP
7 World Trade Center
250 Greenwich Street, 41st Floor
New York, New York 10007
Attention: William J. Jackson, Esq.
Telephone: (212) 820-9620

MUNICIPAL ADVISOR: Anthony Nash
Capital Markets Advisors, LLC
11 Grace Avenue, Suite 308
Great Neck, New York 11021
Telephone: (516) 487-9817

Dated: November 14, 2024

PROPOSAL FOR NOTES

Mr. John Liszewski
Commissioner of Finance and Management Services
City of Yonkers
c/o Capital Markets Advisors, LLC
11 Grace Avenue, Suite 308
Great Neck, New York 11021

November 21, 2024

TELEPHONE: (516) 487-9817

FACSIMILE: (516) 487-2575

CITY OF YONKERS
WESTCHESTER COUNTY, NEW YORK

\$3,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES – 2024A
(the "Notes")

DATED: December 6, 2024

MATURITY DATE: December 5, 2025

	Amount	Interest Rate	Premium	Net Interest Cost
Bid	\$ 3,000,000	%	\$	%

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

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

Please check one of the following:

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

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

Signature: _____

Name of Bidder: _____

Address: _____

Telephone (Area Code): _____

EXHIBIT A

EXHIBIT B

Investor's Letter

December __, 2024

Mr. John A. Liszewski
Commissioner of Finance and Management Services
City of Yonkers
1 Larkin Plaza
Yonkers, New York 10701

Dear Mr. Liszewski:

This letter is being delivered by _____ (the "Purchaser"), in connection with the issuance by the City of Yonkers, New York (the "City") of its \$ _____ General Obligation Bond Anticipation Notes–2024A (the "Notes"). The Purchaser has agreed to purchase the Notes pursuant to the Term Sheet dated November 14, 2024. Capitalized terms used in this letter and not defined herein shall have the meanings provided to such terms in the Term Sheet. In connection with such purchase, the City has requested and Purchaser has agreed to execute and deliver this letter. We hereby represent and warrant to you and agree with you as follows:

1. We understand that the Notes have not been registered pursuant to the Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state, nor has the Indenture been qualified pursuant to the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth therein. We acknowledge that the Notes (i) are not being registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (ii) will not be listed on any securities exchange, and (iii) will not carry a rating from any rating service.
2. We have not offered, offered to sell, offered for sale or sold any of the Notes by means of any form of general solicitation or general advertising, and we are not an underwriter of the Notes within the meaning of Section 2(11) of the 1933 Act.
3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Notes.
4. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.
5. The Purchaser is either a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act, or an "accredited investor" as defined in Rule 501 of Regulation D under the 1933 Act and is able to bear the economic risks of such investment.

6. The Purchaser understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Notes. The Purchaser has made its own inquiry and analysis with respect to the City, the Notes and the security therefor, and other material factors affecting the security for and payment of the Notes.

7. The Purchaser acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the City, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City, the Notes and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Notes.

8. The Notes are being acquired by the Purchaser for investment for its own account and not with a present view toward resale or distribution; *provided, however*, that the Purchaser reserves the right to sell, transfer or redistribute the Notes, but agrees that any such sale, transfer or distribution by the Purchaser shall be to a Person:

(a) that is an affiliate of the Purchaser;

(b) that is a trust or other custodial arrangement established by the Purchaser or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers or accredited investors;

(c) that is a secured party, custodian or other entity in connection with a pledge by the Purchaser to secure public deposits or other obligations of the Purchaser or one of its affiliates to state or local governmental entities; or

(d) that the Purchaser reasonably believes to be a qualified institutional buyer or accredited investor and who executes an investor letter substantially in the form of this letter.

_____, as Purchaser

By: _____