

NOTICE OF INTENT TO SELL
\$3,770,000*
CITY OF WARSAW, INDIANA,
GENERAL OBLIGATION BONDS OF 2016

*** Approximate Amount**

Upon not less than twenty-four (24) hours' notice given by telephone or on behalf of the City of Warsaw, Indiana (the "City"), prior to December 15, 2016, the City will receive separate electronic and sealed proposals at the office of its financial advisor, H.J. Umbaugh and Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240 (the "Financial Advisor"), and shall consider each proposal for the purchase of general obligation bonds of the City designated as "City of Warsaw, Indiana, General Obligation Bonds of 2016" (the "Bonds"), in the approximate aggregate principal amount of Three Million Seven Hundred Seventy Thousand and 00/100 Dollars (\$3,770,000.00), bearing interest at a rate or rates not exceeding six percent (6.0%) (the exact rate or rates to be determined by bidding).

Interest on the Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day year and shall be payable semiannually on February 1 and August 1 in each year, commencing August 1, 2017.

The Bonds will be issued as fully registered bonds in book-entry-only form in denominations of Five Thousand Dollars (\$5,000) and any integral multiple thereof, not exceeding the aggregate principal amount of such Bonds maturing in any one year, and when issued, will be registered in the name of CEDE & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. Purchasers of beneficial interests in the Bonds will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry only. As long as CEDE & Co. is the registered owner of the Bonds as nominee of DTC, payments of principal and interest will be made directly to such registered owner, which will in turn, remit such payments to the DTC Participants for subsequent disbursement to the Beneficial Owners. None of the City, the Registrar and the Paying Agent shall have any liability for the failure of DTC or any DTC Participant to remit the payment or provide any notice to any Beneficial Owner of Bonds.

The Bonds shall be numbered consecutively from 2016R-1 upward, shall bear an original issue date which shall be the date on which the Bonds are delivered and shall mature on February 1 and August 1 in the estimated years and amounts set forth below, with the actual years and amounts to be set forth on the final principal maturity schedule, which will be provided twenty-four (24) hours prior to the date and time of sale (following the receipt of bids and determination of the successful bidder, the City reserves the right to modify individual maturity amounts to achieve its financial objectives with respect to the Bonds):

<u>Maturity</u>	<u>Principal*</u>
02/01/2018	\$120,000
08/01/2018	120,000
02/01/2019	120,000

08/01/2019	120,000
02/01/2020	120,000
08/01/2020	120,000
02/01/2021	125,000
08/01/2021	125,000
02/01/2022	125,000
08/01/2022	125,000
02/01/2023	125,000
08/01/2023	130,000
02/01/2024	130,000
08/01/2024	130,000
02/01/2025	135,000
08/01/2025	135,000
02/01/2026	135,000
08/01/2026	140,000
02/01/2027	140,000
08/01/2027	140,000
02/01/2028	145,000
08/01/2028	145,000
02/01/2029	150,000
08/01/2029	150,000
02/01/2030	150,000
08/01/2030	155,000
02/01/2031	155,000
08/01/2031	160,000

* Approximate Amounts

Principal and premium, if any, on the Bonds will be payable at the corporate trust office of Huntington National Bank (the “Registrar” and the “Paying Agent”), located in the City of Indianapolis, Indiana, or at such other location designated by the Registrar and Paying Agent. Interest on the Bonds will be paid by check or draft mailed or delivered to the registered owner thereof at the address as it appears on the registration books kept by the Registrar and Paying Agent as of the fifteenth (15th) day of the month immediately preceding the interest payment date or at such other address as is provided to the Registrar and Paying Agent in writing by such registered owner. So long as DTC or its nominee is the registered owner of the Bonds, principal of and interest on the Bonds will be paid directly by the Paying Agent to DTC, by wire transfer in same date funds.

The Bonds maturing on or after August 1, 2022, or such later date as may be set forth in a certificate executed by the City (the "Issuer's Certificate") upon advice of the Financial Advisor, may be redeemed prior to maturity, at the option of the City in whole or in part in whole multiples of \$5,000, in order of maturity determined by the City and by lot within maturities, on any date beginning not earlier than February 1, 2022, or such later date as may be set forth in the Issuer's Certificate upon advice of the Financial Advisor from any moneys made available for that purpose, at face value and without premium, plus accrued interest to the date fixed for redemption.

At the option of the successful bidder for the Bonds, all or a portion of the Bonds may be aggregated into one or more term bonds (the "Term Bonds") payable from mandatory sinking fund redemption payments required to be made as set forth in the resolution authorizing the Bonds. The Term Bonds shall have a stated maturity or maturities consistent with the principal maturity schedule for the Bonds. The Bonds may be transferred or exchanged at the office of the Registrar, subject to the terms and conditions of the resolution authorizing the Bonds.

Any person interested in submitting a bid for the Bonds must furnish in writing to the Clerk-Treasurer of the City, c/o the Financial Advisor, H.J. Umbaugh and Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240, telephone (317) 465-1500, facsimile (317) 465-1550, electronic mail mouser@umbaugh.com and bids@umbaugh.com on or before 11:00 a.m. (Eastern Time), Wednesday, December 14, 2016, the person's name, address and telephone number. The person may also furnish a telex or facsimile number. The Clerk-Treasurer of the City will cause each person so registered to be notified of (a) the date and time bids will be received and (b) the final principal maturity schedule for the Bonds and optional redemption terms not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by such person and also by telex or facsimile if a telex or facsimile number has been furnished.

Bids may be submitted electronically via PARITY in accordance with this Notice of Intent to Sell, until 11:00 a.m. (Eastern Time) on the date of sale, but no bid will be received after that time. To the extent any instructions or directions set forth in PARITY conflict with this Notice of Intent to Sell, the terms of this Notice of Intent to Sell shall control. For further information about PARITY, potential bidders may contact the Financial Advisor or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, NY 10018, telephone (212) 849-5021.

Sealed bids may be submitted to the offices of the Financial Advisor at the address described above until 11:00 a.m. (Eastern Time) on the date of sale. Upon completion of the bidding procedures described herein, the results of the sealed, non-electronic bids received shall be compared to the electronic bids received by the City.

Each bid must be for all of the Bonds and must state the rate or rates of interest therefor, not exceeding the maximum per annum interest rate hereinbefore specified. Such interest rate or rates must be in multiples of one-eighth (1/8) or one-hundredth (1/100) of one percent (1.00%). Bids specifying more than one interest rate must also specify the amount and maturities of the Bonds bearing each rate, and all Bonds maturing on the same date shall bear the same rate of interest. The interest rate on Bonds of a given maturity must be at least as great as the interest rate on Bonds of any earlier maturity. Subject to the provisions contained herein, the award will be made to the bidder offering the lowest net interest cost to the City, to be determined by computing the total interest on all Bonds from the date thereof to the date of maturity and deducting therefrom the premium bid, if any, or adding thereto the amount of any discount, if any. Although not a term of sale, it is requested that each bid show the net dollar cost to final maturity and the net effective average interest rate on the entire issue.

No conditional bid or bids for less than ninety-nine percent (99%) of the par value of the Bonds, plus accrued interest at the rate or rates named to the date of delivery, will be considered. The right is reserved to reject any and all bids. If no acceptable bid is received on the date fixed for sale of the Bonds, the sale may be continued from day to day thereafter without further advertisement for a period not to exceed thirty (30) days, but if so continued, no bid will be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for the sale.

Each of the bids for the Bonds submitted by mail shall be sealed in an envelope marked "City of Warsaw, Indiana, General Obligation Bonds of 2016." Each bid must be on the form approved by the City, without additions, alterations or erasures, which form may be obtained from the City's financial advisor at the address set forth herein.

The City reserves the right to amend any information contained in this Notice of Intent to Sell. The City also reserves the right to postpone, from time to time, the date established for the receipt of bids on the Bonds. If any date fixed for the auction is postponed, any alternative sale date will be announced at least twenty-four (24) hours prior to such alternative sale date.

A good faith deposit (the "Deposit") in the form of cash, check certified, cashier's check or wire transfer in the amount of one percent (1%) of the principal amount of the Bonds made payable to the order of the City is required to be submitted by the successful purchaser (the "Purchaser") not later than 3:30 p.m. (Eastern Time) on the next business day following the award. If such Deposit is not received by that time, the City may reject the bid. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the City as liquidated damages.

In the event the bidder to whom the Bonds are awarded shall fail or refuse to comply with the provisions of the bid and this notice, such Deposit shall become the property of the City and shall be taken and considered as liquidated damages of the City on account of such failure or refusal.

The successful bidder will be required to make payment for the Bonds in Federal Reserve or other immediately available funds and accept delivery of the Bonds within five (5) days after being notified that the Bonds are ready for delivery, at a bank designated by the City. Any premium bid must be paid in cash at the time of delivery as a part of the purchase price for the Bonds. The Bonds will be ready for delivery within forty-five (45) days after the date on which the award is made, and if not deliverable within that period, the successful bidder will be entitled to rescind the sale and the good faith check will be returned. Any notice of rescission must be in writing. At the request of the City, the successful bidder shall furnish to the City, simultaneously with or before delivery of the Bonds, a certificate in form satisfactory to the City regarding the initial public offering price of the Bonds.

The Bonds will be designated "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code") relating to the

ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds.

The Bonds are being issued under the provisions of the Indiana Code to provide funding for the costs of constructing a new fire station of approximately 15,000 square feet in Wayne Township in the City (located generally on West 200 South between the intersections of Falcon Drive to the west and South County Farm Road to the east) (the "Project"), together with the expenses incidental thereto, including the expenses incurred in connection with the issuance of the Bonds. The Bonds will be the direct general obligation of the City, payable out of ad valorem taxes to be collected on all taxable property located within the boundaries of the City.

At the time of delivery of the Bonds the approving opinion of Faegre Baker Daniels LLP, bond counsel, of South Bend, Indiana, as to the validity of the Bonds, together with a transcript of Bond proceedings, the printed Bonds with such legal opinion printed thereon, and closing certificates in the customary form showing no litigation, will be furnished to the successful bidder at the expense of the City. In addition, unless bond counsel is able, on the date of delivery, to render an opinion to the effect that, under existing law, (1) the interest on the Bonds is excludable from gross income for federal income tax purposes and (2) the interest on the Bonds is exempt from taxation in the State of Indiana for all purposes except the Indiana financial institutions tax, the successful bidder shall have the right to rescind the sale, and in such event the Deposit will be returned.

A copy of the Preliminary Official Statement prepared at the direction of the City may be obtained from the Financial Advisor, H.J. Umbaugh and Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240, prior to bid opening. Said Preliminary Official Statement will be in a form deemed final by the City, pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), subject to completion as permitted by the Rule.

The Preliminary Official Statement when further supplemented by an addendum or addenda specifying the interest rates of the Bonds, and any other information referred to in paragraph (b)(1) of the Rule, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in the Rule. By awarding the Bonds to any underwriter or underwriting syndicate submitting an official bid, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded up to twenty-five (25) copies of the Official Statement at the City's expense, any additional copies to be at the expense of the underwriting syndicate. The City designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each participating Underwriter. Any underwriter executing and delivering a bid with respect to the Bonds agrees thereby that if its bid is accepted by the City (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating

Underwriters of the Bonds for purposes of assuring the receipt of each such Participating Underwriter of the Final Official Statement.

In order to assist bidders in complying with paragraph (b)(5) of the Rule, the City will undertake, pursuant to the resolution adopted by the City authorizing the issuance of the Bonds and the Continuing Disclosure Agreement which shall be delivered to the successful bidder at the closing on the Bonds, to provide annual reports, certain financial information, and notices of certain events as required by Section (b)(5) of the Rule. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

If bids are submitted by mail, they should be addressed to the City Clerk-Treasurer, c/o the Financial Advisor, H.J. Umbaugh and Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240.

Dated this 28th day of November, 2016.

CITY OF WARSAW, INDIANA

City Clerk-Treasurer

[To be published in The Times Union and the Court & Commercial Record on Friday, November 25, 2016, and Friday, December 2, 2016.]