

**BOROUGH OF FRANKLIN LAKES  
IN THE COUNTY OF BERGEN NEW JERSEY**

**NOTICE OF SALE  
\$5,025,000 GENERAL BONDS  
(Book-Entry-Only) (Callable)**

ELECTRONIC PROPOSALS will be received by the Chief Financial Officer (the "Chief Financial Officer") of the **Borough of Franklin Lakes**, in the County of Bergen, New Jersey (the "Borough"), via the Parity Electronic Bid Submission System ("PARITY") of i-Deal LLC ("i-Deal"), **UNTIL 11:00 a.m. NEW JERSEY TIME ON AUGUST 19, 2020** and then and there announced and considered by the Chief Financial Officer for the purchase of all of the Borough's \$5,025,000 General Bonds (the "General Bonds") (the "Bid Date").

Each bid must offer to purchase each issue of Bonds being offered at a price of not less than par and must specify a rate or rates of interest for the Bonds and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity of the General Bonds. There is no limitation on the number of rates that may be named, however if more than one rate of interest is named, the rates must be ascending. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Chief Financial Officer expects to award the to the bidder specifying the lowest net interest payable by the Borough for such series. However, the Chief Financial Officer reserves the right to reject all bids for one or both series of Bonds or to award the Bonds to a bidder other than the lowest bidder. The bidder, by submitting a bid, agrees to be bound by the determination of the Chief Financial Officer.

**THE BONDS WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR PURPOSES OF SECTION 265(b)(3)(B) OF THE CODE.**

**SPECIFICATIONS OF BONDS**

General Bonds Principal Amount	\$5,025,000
Dated	Date of delivery
Tax Exempt	Yes
Rating:	Moody's Investors Service – "Aaa"
Insurance:	The winning bidder of the General Bonds may, at its sole option and expense, purchase a policy of municipal bond insurance.
Type of Sale:	Electronic Proposals via the Parity Electronic Bid Submission System ("PARITY").

Auction Agent:	Parity
Interest Rate Per Annum	Specified by each successful bidder
Legal Opinion	Chiesa Shahinian & Giantomasi PC
Issue Date	September 1, 2020
Location	Chiesa Shahinian & Giantomasi PC West Orange, New Jersey
Denominations	\$5,000 or integral multiples thereof
Payments	Immediately available funds
Minimum Bid:	\$5,025,000 (Par) for the General Bonds
Maximum Bid:	\$5,175,750 for the General Bonds (103%)
Bid Security:	Either a Cash Wire or Good Faith Check must be received by Borough by not later than 10:00 a.m. on the day of bidding, prior to bidding on the Bonds, in the amount of \$100,500 for the General Bonds.
Basis Of Award:	Net Interest Cost - Ascending Coupons Required in multiples of 1/8 or 1/20 of 1%

The Bonds are callable and will be issued only in book-entry form.

Initially, one Bond will be issued for each maturity for each series of Bonds and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (collectively, "DTC"). DTC, an automated clearing house for securities transactions, will act as securities depository for the Bonds. For so long as the Bonds are registered in book-entry-only form, purchases of the Bonds will be made in such form only (without certificates). It shall be the obligation of the Successful Bidder to furnish to DTC an underwriter's questionnaire not less than seventy-two (72) hours prior to the Closing Date (as hereinafter defined) and to furnish to the Borough the CUSIP numbers for the Bonds and the confirmed Initial Public Offering Price thereof, not less than seven (7) days prior to said Closing Date.

## GENERAL DESCRIPTION OF BONDS

### General Bonds

The General Bonds will be dated and bear interest from their date of delivery and will mature on September 1 in the years and in the principal amounts as set forth below. Interest on the General Bonds is payable on each March 1 and September 1, commencing March 1, 2021, in each year until final maturity or earlier redemption.

<u>September 1</u>	<u>Amount</u>	<u>September 1</u>	<u>Amount</u>
2021	\$225,000	2029	\$350,000
2022	225,000	2030	375,000
2023	225,000	2031	375,000
2024	350,000	2032	375,000
2025	350,000	2033	375,000
2026	350,000	2034	375,000
2027	350,000	2035	375,000
2028	350,000		

**Optional Redemption.** The General Bonds maturing prior to September 1, 2027 are not subject to redemption prior to their stated maturities. The General Bonds maturing on or after September 1, 2028 are redeemable at the option of the Borough in whole or in part on any Interest Payment Date, on or after September 1, 2027 at 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption.

## AUTHORIZATION AND PURPOSE

**General Bonds.** The General Bonds are authorized and are to be issued pursuant to the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 et seq., as amended (the "Local Bond Law"). The Bonds also are authorized by various bond ordinances of the Borough set forth below and resolution adopted by the Borough Council of the Borough on July 9, 2020.

<u>Ordinance #</u>	<u>Description</u>	<u>Amount</u>
1628	Various Capital Improvements	\$1,142,761
1644	Acquisition of Fire Apparatus	965,239
1712	Various Sidewalk Improvements	300,000
1745	Various Capital Improvements	60,579
1763	Police Handicap Restrooms	2,000
1770	Improvements to Vichiconti Way Synthetic Turf	414,452
1808	Acquisition of Fire Apparatus	712,500
1815	Various Capital Improvements	<u>1,427,469</u>
	Total:	<u>\$5,025,000</u>

The bond ordinances included in the sale of the Bonds were published in full or in summary form after adoption along with the statement required by the Local Bond Law that the twenty day period of limitation within which a suit, action or proceeding questioning the validity of the authorizing bond ordinances can be commenced, began to run from the date of the first publication of such estoppel statement. The Local Bond Law provides that after issuance, all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and any person shall be estopped from questioning the sale or the execution or the delivery of the Bonds by the Borough.

The proceeds of the Bonds will be used to (i) currently refund \$2,884,775 of the Borough's \$3,040,000 outstanding bond anticipation notes dated October 24, 2019 and maturing on October 23, 2020 and (ii) provide funding for unfunded capital projects in the amount of \$2,140,225.

### **Obligations of the Borough**

The General Bonds will be general obligations of the Borough, and the Borough will pledge its full faith and credit for the payment of the principal of and interest on the General Bonds. The Borough is required by law to levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the principal of and interest on the General Bonds without limitation as to rate or amount to the extent that payment is not otherwise provided for.

**Form of Bid.** All bids shall be submitted via PARITY pursuant to the procedures described below, shall be deemed to constitute a "Proposal for Bonds" and shall be deemed to incorporate by reference all of the terms and conditions of this Notice of Sale. The submission of a bid electronically via PARITY shall constitute and be deemed the bidder's signature on the Proposal for Bonds.

### **Procedures Regarding Electronic Bidding**

Bids must be submitted electronically via PARITY in accordance with this notice, until 11:00 a.m. (New Jersey time) on the Bid Date for the General Bonds, but no bid will be accepted after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY, potential bidders may contact PARITY at i-Deal at (212) 849-5021. The Borough may, but is not obligated to, acknowledge its acceptance in writing of any bid submitted electronically via PARITY. In the event that a bid for the General Bonds is submitted via PARITY, the bidder further agrees that:

1. The Borough may regard the electronic transmission of the bid through PARITY (including information about the principal amount of the General Bonds, the premium bid for the General Bonds and any other information included in such transmission) as though the same information were submitted on a "Proposal for Bonds" provided by the Borough and executed by a duly authorized signatory of the bidder. If a bid submitted electronically by PARITY is accepted by the Borough, the terms of the "Proposal for Bonds" and this Notice of Sale and the information that is electronically transmitted through PARITY shall form a contract, and the successful bidder or bidders shall be bound by the terms of such contract.

2. PARITY is not an agent of the Borough, and the Borough shall have no liability whatsoever based on any bidder's use of PARITY, including but not limited to any failure by PARITY to correctly or timely transmit information provided by the Borough or information provided by the bidder.

3. The Borough may choose to discontinue use of electronic bidding via PARITY by issuing a notification to such effect via TM3 News Services, or by other available means, no later than 3:00 p.m. (New Jersey time) on the last business date prior to the Bid Date.

4. Once the bids are communicated electronically via PARITY to the Borough as described above, each bid will constitute a Proposal for Bonds and shall be deemed to be an irrevocable offer to purchase the General Bonds on the terms provided in this Notice of Sale. For purposes of submitting all Proposals for Bonds, the time as maintained on PARITY shall constitute the official time.

5. Each 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 Notice of Sale. Neither the Borough nor i-Deal shall have any duty or obligation to provide or assure access to any bidder, and neither the Borough nor i-Deal shall be responsible for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by PARITY. The Borough is using PARITY as a communication mechanism, and not as the Borough's agent, to conduct the electronic bidding for the General Bonds. By using PARITY, each bidder agrees to hold the Borough harmless from any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the General Bonds.

#### **Bid Security and Method of Payment for Bonds**

A Good Faith Deposit ("Deposit") in the form of a cash wire or certified, cashier's or treasurer's check in the amount of \$100,500 for the General Bonds payable to the order of the Borough, is required for each bid to be considered. Bidders intending to submit cash wires should contact the Chief Financial Officer, William Pike, for the wiring information and must provide the Borough (i) notice of their intent to use such cash wire prior to 9:30 a.m. (New Jersey time) on August 19, 2020; (ii) proof of electronic transfer of such cash wire prior to 10:00 a.m. on August 19, 2020; and (iii) return wiring instructions. If a check is used, it must be a certified, cashier's or treasurer's check and must be provided to the Borough prior to the time for bids to be submitted. Each bidder accepts responsibility for delivering a cash wire or a check on time and the Borough is not responsible for any cash wire or check that is not received on time. No interest on the Deposit will accrue to the Successful Bidder. The Deposit will be applied to the purchase price of the General Bonds. In the event the Successful Bidder fails to honor its accepted bid, the Deposit will be retained by the Borough. Award of the General Bonds to the Successful Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but the Successful Bidder may not withdraw its proposal until after 3:00 p.m., New Jersey time, of the day for receipt of such Bids and then only if such award has not been made prior to the withdrawal. As provided below, the balance of the purchase price shall be paid in Federal Funds by wire transfer to the Borough on or about 9:30 a.m. on September 1, 2020.

**Postponement of Sale.** The Borough reserves the right to postpone, from time to time, the Bid Date. Any such postponement will be announced by TM3 News Service by 4:00 PM on the day prior to any announced date for the receipt of bids. Any such alternative Bid Date and the time at which bids are due will be announced via TM3 News Service at least 48 hours before bids are due. On any such alternative Bid Date, bidders shall submit Proposals for Bonds in conformity with all of the requirements hereof, other than the date of submission and sale and any further or contrary provisions set forth in such announcement, which further or contrary provisions must be complied with by all bidders.

**Delivery and Payment.** It is expected that delivery of the General Bonds in definitive form will take place at the offices of DTC in New York, New York and payment for the General Bonds will take place at the offices of Chiesa Shahinian & Giantomasi PC, Bond Counsel to the Borough ("Bond Counsel"), in West Orange, New Jersey on September 1, 2020 (the "Closing Date"). The Successful Bidder must be prepared to take delivery of the General Bonds on the Closing Date and simultaneously pay the remainder of the purchase price thereof IN IMMEDIATELY AVAILABLE FEDERAL FUNDS by 9:30 a.m. on the Closing Date.

Each Purchaser will be required to furnish prior to delivery of the General Bonds a certificate acceptable to Bond Counsel setting forth information with respect to the "issue price" of the General Bonds within the meaning of Section 1273 of the Code and the "arbitrage yield" within the meaning of Section 148 of the Code. Bond Counsel will prepare the form of the certificate and provide it to each Purchaser after the award of the Bonds.

The Successful Bidder may at its option refuse to accept the Bonds if prior to their delivery any income tax law of the United States of America shall provide that the interest thereon is taxable, or shall be taxable at a future date, for Federal income tax purposes, and in such case the Successful Bidder will be relieved of its contractual obligations arising from the acceptance of its Proposal for Bonds.

If the General Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs of issuance of the General Bonds resulting by reason of such insurance shall be paid, or such payment shall be provided for, by such bidder. Any failure of the General Bonds to be so insured or of any such policy of insurance to be issued, shall not in any way relieve the successful bidder of its contractual obligation arising from the acceptance of its Proposal for Bonds. In addition, the Borough shall be under no obligation to include any information relating to such municipal bond insurance policy or the issuer thereof in its official statement relating to the General Bonds.

The Successful Bidder will be furnished, without cost, with the approving opinion of Bond Counsel to the effect that, subject to the conditions and assumptions contained in the opinion, the General Bonds are valid and legally binding obligations of the Borough and, unless paid from other sources, are payable from ad valorem taxes levied on all taxable real property within the Borough without limitation as to rate or amount, that interest (i) is excluded from gross income for federal income tax purposes, and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (however, for the purpose of computing the

alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), interest on the General Bonds is taken into account in determining adjusted current earnings), provided that the Borough complies with all conditions contained in the Internal Revenue Code of 1986, as amended and supplemented (the "Code"), and that interest on the General Bonds is exempt from taxation under the New Jersey Gross Income Tax Act, such opinion to be substantially in the form set forth in the Official Statement distributed in preliminary form in connection with the sale of the General Bonds. The obligation hereunder to deliver and accept the General Bonds pursuant hereto shall be conditioned on the availability and delivery to the Successful Bidder at the time of delivery of the General Bonds of said approving opinion and of certificates in form and tenor satisfactory to Bond Counsel evidencing the proper execution and delivery of the General Bonds and receipt of payment therefor and including a statement, dated as of the date of such delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened against the Borough relating to the General Bonds.

**Preliminary and Final Official Statement.** The Borough has issued an official statement with respect to the sale of the General Bonds in preliminary form (the "Preliminary Official Statement"). The Borough, by accepting the Proposal for Bonds submitted by the Successful Bidder, (a) certifies to the Successful Bidder as of the date of acceptance of such Proposal for Bonds, that the Preliminary Official Statement furnished prior to the date of such acceptance has been "deemed final" as of its date by the Borough within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") except for certain omissions permitted thereunder, and (b) agrees to provide to the Successful Bidder, in order to permit the Successful Bidder to comply with Rule 15c2-12, a reasonable number of copies of the final Official Statement adopted by the Borough within five (5) business days after the date of the acceptance by the Borough of such Proposal for Bonds at the sole cost and expense of the Borough. The Successful Bidder, by submitting such Proposal for Bonds, agrees to provide the Official Statement to the Municipal Securities Board's Electronic Municipal Market Access system (the "Repository") within one (1) day of receipt of the Official Statement from the Borough, and to notify the Borough of the date on which the Official Statement is filed with the Repository. The Successful Bidder by such execution further agrees that the Closing Date shall be the date of the "end of the underwriting period" for the General Bonds within the meaning of Rule 15c2-12.

In order to assist bidders in complying with Rule 15c2-12, the Borough will undertake, pursuant to an agreement (the "Disclosure Agreement") for the benefit of the holders and beneficial owners of the General Bonds, to provide notices of certain events.

Copies of the Preliminary Official Statement and this Notice of Sale may be obtained from the Chief Financial Officer at the Franklin Lakes Municipal Building located at 480 DeKorte Drive, Franklin Lakes, New Jersey 07417 (telephone (201) 891-0048).

**BOROUGH OF FRANKLIN LAKES**

By: /s/ William G. Pike\_\_\_\_\_  
WILLIAM G. PIKE  
Chief Financial Officer

Dated: August 10, 2020