

BOROUGH OF CARLSTADT, BERGEN COUNTY, NEW JERSEY

NOTICE OF \$19,478,000 GENERAL OBLIGATION
BOND ANTICIPATION NOTE SALE

SPECIFICATIONS OF BOND ANTICIPATION NOTES

Principal Amount	\$19,478,000
Dated	May 2, 2024
Maturity Date	May 2, 2025 (Non-Callable)
Interest Rate Per Annum	Specified by successful bidder (calculated on the basis of a year of 360 days consisting of twelve 30-day months). <u>The maximum interest rate permitted is five percent (5.0%) per annum.</u>
Basis of Award	Lowest net interest cost. A bid must be for all the notes. The Borough reserves the right to reject all bids.
Legal Opinion	Rogut McCarthy LLC Cranford, New Jersey
Paying Agent	Chief Financial Officer if DTC issue; if not DTC, as specified by successful bidder within 24 hours of award, subject to approval of Chief Financial Officer. No paying agent fees may be charged.
Denominations	Minimum \$5,000 (with \$1,000 integral multiples in excess thereof) - specified by successful bidder within 24 hours of award, subject to approval of Chief Financial Officer.
CUSIP Number	At option of purchaser. Purchaser is responsible for obtaining and paying for CUSIP number - to be communicated within 24 hours of award.
Payment	Wire transfer of immediately available funds on May 2, 2024
Tax Exemption	Federal/NJ Tax-Exempt - See Proposed Form of Bond Counsel Opinion attached as Appendix C to the preliminary Official Statement.
Rating	The notes have been rated "MIG 1" by Moody's Investors Service.
Closing Certificates	The usual closing certificates will be delivered at closing, including a no litigation certificate from the municipal attorney.
Bank Qualification	The notes are <u>not</u> bank-qualified.

Time for Bids Tuesday, April 23, 2024, by 11:00 a.m. via electronic mail at slr@rogutmccarthy.com, via facsimile at (908) 653-4832 or electronically via the Parity Electronic Bid Submission System ("PARITY") of i-Deal LLC ("i-Deal") in the manner described below. No telephone bids will be accepted. A bid form is attached. Award by 2:00 p.m. on such date.

Issue Price The Borough intends that the 10% test shall
Determination under apply if the Competitive Sale Requirements
Internal Revenue are not satisfied. See Appendix A attached
Code hereto for the terms concerning the
determination of issue price (Securities
Industry and Financial Markets Association
("SIFMA") Model Issue Price Documents
(Notice of Sale - Alternative I)). If a
successful bidder is purchasing for its own
account and not with a view to distribution
or resale (a private placement), the issue
price shall be the price paid for the notes
by such bidder and an applicable issue
price certificate shall be provided to such
bidder.

The \$19,478,000 Bond Anticipation Notes (the "Notes") of the Borough of Carlstadt, in the County of Bergen, New Jersey (the "Borough"), will be general obligations payable ultimately from *ad valorem* taxes levied upon all the taxable real property within the Borough to the extent that payment is not otherwise provided. The Notes consist of \$15,941,000 current refunding obligations and \$3,537,000 new money obligations issued to finance various capital projects.

The successful bidder may purchase for its own account and not with a view to distribution or resale.

Bids submitted by telecopy, email or electronically are the sole responsibility of the bidder and must be received by Bond Counsel on behalf of the Borough by 11:00 a.m. The Borough accepts no responsibility for the failure of any telecopied, emailed or electronically submitted bids to be received on time for whatever reason. Except as provided herein under the caption "Procedures Regarding Electronic Bidding," proposals must be submitted on the official form entitled "Proposal for Notes". All bids which are submitted electronically via PARITY pursuant to the procedures described below shall be deemed to constitute a "Proposal for Notes" and shall be deemed to incorporate by reference all of the terms and conditions of this Notice of Note Sale. The submission of a bid electronically via PARITY shall constitute and be deemed the bidder's signature on the Proposal for Notes.

PROCEDURES REGARDING ELECTRONIC BIDDING. Bids may be submitted electronically via PARITY in accordance with this notice, until 11:00 a.m., New Jersey time, on the Bid Date. To the extent any instructions or directions set forth in PARITY conflict with this Notice of Note Sale, the terms of this Notice of Note Sale shall control. For further information about PARITY, potential bidders may contact PARITY at i-Deal at 1359 Broadway, 2nd Floor,

New York, New York 10018, telephone (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 Notes 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 Notes, the price bid for the Notes and any other information included in such transmission) as though the same information were submitted on the "Proposal for Notes" 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 Notes" and this Notice of Note 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 Notes and shall be deemed to be an irrevocable offer to purchase the Notes on the terms provided in this Notice of Note Sale. For purposes of submitting all Proposals for Notes, whether by facsimile, electronic mail, or electronically via PARITY, 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 Note 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 Notes. 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 Notes.

The preliminary Official Statement, dated April 17, 2024, enclosed herewith, is "deemed final", as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, but is subject to (a) completion with certain pricing and other information to be made available by the successful bidder for the Notes and (b) amendment. The preliminary Official Statement, as so revised, will constitute the "final official statement". By the submission of a bid for the Notes, the successful bidder contracts for the receipt of a reasonable number of copies of the final Official Statement within seven business days of the award of the Notes. In order to complete the final Official Statement, the successful bidder must furnish on behalf of the underwriters of the Notes the following information to Bond Counsel and the Borough by facsimile transmission or overnight delivery received by Bond Counsel and the Borough within 24 hours after the award of the Notes:

- a. Initial Offering Prices or yields (expressed as percentages).
- b. Selling Compensation (aggregate total anticipated compensation to the underwriters expressed in dollars).
- c. The identity of the underwriters if the successful bidder is a part of a group or syndicate.
- d. Any other material information necessary for the final Official Statement but not known to the Borough (such as the bidder's purchase of credit enhancement).

Concurrently with the delivery of the Notes, the Chief Financial Officer will deliver to the purchaser of the Notes a certificate stating that, to the best of said official's knowledge, the preliminary Official Statement did not as of its date and as of the sale date, and the final Official Statement does not, as of its date and the date of delivery of the Notes, contain an untrue statement of a material fact or omit to state a material fact required to be included therein for the purpose for which the preliminary Official Statement or the final Official Statement is to be used or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, providing such certificate shall not include consideration of information supplied by, or which should have been supplied by, the successful bidder for the Notes.

The Borough has undertaken to provide notice of material events pursuant to the limited secondary market disclosure requirements under Rule 15c2-12 for issues with a maturity of 18 months or less. The Borough has undertaken to satisfy full secondary market disclosure requirements in connection with certain outstanding bond issues.

BOROUGH OF CARLSTADT

/s/ Ashley Morrone

Ashley Morrone

Chief Financial Officer

Telephone (201) 939-2890

amorrone@carlstadtnj.us

Dated: April 17, 2024

PROPOSAL FOR BOND ANTICIPATION NOTES

Ashley Morrone
Chief Financial Officer
Borough of Carlstadt, New Jersey
c/o Steven L. Rogut, Esq., Rogut McCarthy LLC
Fax: (908) 653-4832
Email: slr@rogutmccarthy.com
Via PARITY

Dated: April 23, 2024

Subject to the provisions of the annexed Notice of Note Sale, which is made a part of this proposal, we offer to pay for the \$19,478,000 Bond Anticipation Notes (the "Notes") described in the Notice the sum of \$ _____; provided the Notes bear interest at the rate of _____% per annum.

Name of Institution: _____

By: _____

Title: _____

Telephone Number: _____

Fax Number: _____

Each bidder is requested to supply the following for information purposes only and not as part of the foregoing bid:

Aggregate amount of interest on Notes. . . \$ _____

Less: Amount of premium offered. \$ _____

Net Interest Cost.. \$ _____

Net Interest Cost (as a percentage). _____%

[Applicable to underwriter bidders - This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds.]

[Applicable to bidders purchasing for its own account and not with a view to distribution or resale - We will not participate in the initial sale of the Notes to the public.]

APPENDIX A
Establishment of Issue Price
(10% Test to Apply if Competitive
Sale Requirements are Not Satisfied)

(a) The winning bidder shall assist the Borough of Carlstadt, County of Bergen, New Jersey (the "Issuer") in establishing the issue price of the Notes and shall execute and deliver to the Issuer at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit I, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel.

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (i) the Issuer shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (ii) all bidders shall have an equal opportunity to bid;
- (iii) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (iv) the Issuer anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer shall treat the first price at which 10% of the Notes (the "10% test") is sold to the public as the issue price of the Notes. The winning bidder shall advise the Issuer if the Notes satisfy the 10% test as of the date and time of the award of the Notes. The Issuer will not require bidders to comply with the "hold-the-offering-price rule" and therefore (under the circumstances set forth in this paragraph (c)) does not intend to use the initial offering price to the public as of the sale date of the Notes as the issue price of the Notes. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that the Notes will be subject to the 10% test in order to establish the issue price of the Notes.

(d) If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to the Notes, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Notes have been sold or (ii) the 10% test has been satisfied as to the Notes, provided that, the winning bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel.

(e) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) to report the prices at which it sells to the public the unsold Notes allocated to it, whether or not the closing date has occurred, until either all Notes allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Notes, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder,

(B) to promptly notify the winning bidder of any sales of Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the public the unsold Notes allocated to it, whether or not the closing date has occurred, until either all

Notes allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Notes, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter.

(f) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the Issuer to the winning bidder.

EXHIBIT I TO APPENDIX A
[COMPETITIVE SALE REQUIREMENTS MET; IF NOT, 10% RULE APPLIES]

\$19,478,000
BOROUGH OF CARLSTADT, COUNTY OF BERGEN, NEW JERSEY
BOND ANTICIPATION NOTES

PURCHASER'S CERTIFICATE AS TO ISSUE PRICE

The undersigned, on behalf of [NAME OF UNDERWRITER] (the "Purchaser"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Notes").

[1. Competitive Sale Exception] Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering price of the Notes to the Public by the Purchaser is the price listed in Schedule A (the "Expected Offering Price"). The Expected Offering Price is the price for the Notes used by the Purchaser in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Notes.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Notes.]

[1. 10% Rule to Apply if Competitive Sale Requirements not Met] Sale of the Notes. As of the date of this certificate, the first price at which at least 10% of the Notes was sold to the Public is the price listed in Schedule A.]

2. The weighted average maturity of the Notes is _____ years.

3. The net interest cost of the Notes is _____%.

4. Defined Terms.

(a) *Issuer* means the Borough of Carlstadt, County of Bergen, New Jersey.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract for the sale of the Notes. The Sale Date of the Notes is April 23, 2024.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Rogut McCarthy LLC ("Bond Counsel") in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

[NAME OF UNDERWRITER]

By: _____

Name: _____

Dated: May 2, 2024

SCHEDULE A
[EXPECTED OFFERING PRICE]
[SALE PRICE]

(Attached)

<u>Amount</u>	<u>Price (%)</u>	<u>Price (\$)</u>	<u>Yield</u>
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SCHEDULE B
[COPY OF PURCHASER'S BID]

(Attached)