

NOTICE OF SALE

COUNTY OF PASSAIC, NEW JERSEY
\$3,944,000 BONDS CONSISTING OF

\$1,972,000 COUNTY COLLEGE BONDS, SERIES 2024A AND
\$1,972,000 COUNTY COLLEGE BONDS, SERIES 2024B
(COUNTY COLLEGE BOND ACT, P.L. 1971, C.12)
(Book-Entry Only) (Parity Bid)
(Non-Callable) (Not Bank-Qualified)

dated

July 1, 2024

The County of Passaic, a political subdivision of the State of New Jersey (the "County"), hereby invites ELECTRONIC BIDS VIA PARITY AND SEALED PROPOSALS for the purchase of its \$3,944,000 Bonds consisting of \$1,972,000 County College Bonds, Series 2024A and \$1,972,000 County College Bonds, Series 2024B (County College Bond Act, P.L. 1971, c.12), each issue dated July 1, 2024 (individually, the "County College Bonds, Series 2024A", or the "County College Bonds, Series 2024B"; collectively, the "Bonds").

ELECTRONIC BIDS VIA PARITY AND SEALED PROPOSALS will be received and publicly opened and announced by the Director of Finance in the Board of Chosen Commissioners' Meeting Room (Room 220), County Administration Building, 401 Grand Street, Paterson, New Jersey 07505, on June 18, 2024 at 11:00 o'clock A.M., Prevailing Time.

The Bonds comprise two issues of bonds payable on February 15 in each year (without the right of prior redemption) as follows:

\$1,972,000 County College Bonds, Series 2024A

\$175,000 in the year 2025,
\$180,000 in the year 2026,
\$185,000 in the year 2027,
\$190,000 in the year 2028,
\$195,000 in the year 2029,
\$200,000 in the year 2030,
\$205,000 in the year 2031,
\$210,000 in the year 2032,
\$220,000 in the year 2033, and

\$212,000 in the year 2034.
 \$1,972,000 County College Bonds, Series 2024B
 (County College Bond Act, P.L. 1971, c.12)

\$175,000 in the year 2025,
 \$180,000 in the year 2026,
 \$185,000 in the year 2027,
 \$190,000 in the year 2028,
 \$195,000 in the year 2029,
 \$200,000 in the year 2030,
 \$205,000 in the year 2031,
 \$210,000 in the year 2032,
 \$220,000 in the year 2033, and
 \$212,000 in the year 2034.

The combined maturity schedule for the Bonds is as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2025	\$350,000	2030	\$400,000
2026	360,000	2031	410,000
2027	370,000	2032	420,000
2028	380,000	2033	440,000
2029	390,000	2034	424,000

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 Ipreo at 1359 Broadway, 2nd Floor, New York, NY 10018, telephone (212) 849-5021.

The Bonds shall be issued in registered form by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity of each issue will be issued to The Depository Trust Company, New York, New York ("DTC"), and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof (except for two odd pieces in excess of \$5,000), with transfers of ownership effected on the records of DTC and its participants pursuant to the rules and procedures established by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, shall be required to deposit the bond certificates with DTC, registered in the name of Cede & Co., its nominee. Interest on the Bonds will be payable on each February

15 and August 15, commencing February 15, 2025 (each, an "Interest Payment Date"), in each year until maturity, and principal of the Bonds will be payable, at maturity, by payment of immediately available funds by the Bond Registrar/ Paying Agent to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest to participants of DTC will be the responsibility of DTC. Transfer of principal and interest to beneficial owners will be the responsibility of the DTC participants and other nominees of the beneficial owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the County determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the County will discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County will deliver replacement bonds in the form of fully registered certificates.

The Bonds are general obligations of the County and are secured by a pledge of the full faith and credit of the County for the payment of the principal thereof and the interest thereon. The Bonds are payable, if not paid from other sources, from *ad valorem* taxes to be levied upon all the real property taxable within the County, without limitation as to rate or amount. The County College Bonds, Series 2024B only are also entitled to the benefits of Chapter 12 of the Laws of 1971 of New Jersey (N.J.S.A. 18A:64A-22.1 *et seq.*), which provides for appropriations of State aid for the payment of debt service (principal and interest) on bonds issued for county college capital projects.

Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds bid for, and the rate or rates named must be a multiple of 1/8th or 1/20th of one percentum (1%). The interest payable with respect to each Bond on any one date will be evidenced by a single rate of interest. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. The difference between the lowest and the highest rates named in the proposal shall not exceed two percentum (2%). Each proposal submitted must be for all of the Bonds offered,

and the purchase price specified must not be less than \$3,944,000 nor more than \$3,983,440. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed, as to each bid, by adding to the total principal amount of Bonds bid for (which shall be all of the Bonds offered) the total interest cost to maturity in accordance with such bid and by deducting therefrom the amount of premium, if any, bid, which premium shall not exceed \$39,440 (1% of par). No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the County under any legally acceptable proposal. The County reserves its right to reject all bids, and any bid not complying with the material terms of this notice will be rejected. The County reserves the right to waive defects it deems non-material, in its sole discretion.

The successful bidder must pay accrued interest (if any) from the date of the Bonds to the date of delivery. No interest will be paid upon the deposit made by the successful bidder. The Bonds will be authenticated by the Director of Finance, acting as Bond Registrar/Paying Agent for the Bonds.

Sealed proposals should be addressed to the undersigned Director of Finance and enclosed in a sealed envelope marked on the outside "Proposal for Bonds". A good faith deposit (the "Deposit") in the form of a cash wire or a certified, treasurer's or cashier's check drawn upon a bank or trust company in the amount of \$78,880, payable to the order of the COUNTY OF PASSAIC, is required for each bid to be considered. If a cash wire is used, the wire must be received by the County no later than 11:00 A.M. on June 18, 2024. If a cash wire is utilized, each bidder must notify the County of its intent to use such cash wire prior to 11:00 A.M. on June 18, 2024, and must provide proof of electronic transfer of such cash wire prior to 11:00 A.M. on June 18, 2024 (with return wiring instructions). Wire instructions for the County can be obtained by contacting the County's Director of Finance (Richard Cahill (973) 881-4432) or the County's Bond Counsel (Steven Rogut or Thomas Bace (908) 931-1150). If a check is used, it must accompany the bid or be received by the undersigned Director of Finance prior to the opening of bids. Each bidder accepts responsibility for delivering such cash wire or check on time and the County is not responsible for any cash wire or check that is not received on time. Checks or wires of unsuccessful

bidders will be returned upon the award of the Bonds. No interest on the Deposit will accrue to the successful bidder. The Deposit will be applied in part payment for the Bonds or to partially secure the County from any loss resulting from the failure of the successful bidder to comply with the terms of its bid.

Award of the Bonds to the successful bidder or rejection of all bids is expected to be made within two hours after opening of the bids, but such successful bidder may not withdraw its proposal until after 3:00 p.m. (local time) of the day of such bid-opening and then only if such award has not been made prior to the withdrawal.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with its contractual obligations arising from the acceptance of its proposal for the purchase of the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the County; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder.

The Bonds shall be delivered on or about July 1, 2024 at the office of Rogut McCarthy LLC, Cranford, New Jersey ("Bond Counsel"), or at such other place as may be determined by the successful bidder and the County. PAYMENT FOR THE BONDS AT THE TIME OF ORIGINAL ISSUANCE AND DELIVERY SHALL BE IN IMMEDIATELY AVAILABLE FUNDS.

A preliminary Official Statement has been prepared and is available at www.i-DealProspectus.com or may be obtained from the undersigned, Director of Finance at the County Administration Building, 401 Grand Street, Paterson, New Jersey 07505, Telephone No. (973) 881-4432. The preliminary Official Statement is deemed to be a "final official statement", as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), but is subject to (a) completion with certain pricing and other information to be made available by the successful bidder for the Bonds and (b) amendment. The preliminary Official Statement, as so revised, will constitute the "final official statement". By the submission of a bid for the Bonds, 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 Bonds. In order to complete the final Official Statement, the successful bidder must furnish on behalf of the underwriters of the Bonds the following information to Bond Counsel and the County by facsimile transmission or overnight delivery received by Bond Counsel and the County within 24 hours after the award of the Bonds: (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 part of a group or syndicate and (d) any other material information necessary for the final Official Statement, but not known to the County (such as the bidder's purchase of credit enhancement). It shall also be the obligation of the successful bidder to furnish to DTC an underwriter's questionnaire and the denominations of the Bonds not less than seventy-two (72) hours prior to the delivery of the Bonds.

Concurrently with the delivery of the Bonds, the officials of the County who will have executed the final Official Statement will deliver to the purchaser of the Bonds a certificate stating that, to the best of their knowledge, the preliminary Official Statement did not as of its date and as of the sale date, and the final Official Statement did not as of its date and does not as of the date of delivery of the Bonds, 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, provided such certificate shall not include consideration of information supplied by, or which should have been supplied by, the successful bidder for the Bonds.

The County has agreed in its bond resolution adopted on May 21, 2024 to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12, (i) not later than October 1 of each fiscal year, certain annual financial information and operating data, including audited financial statements for the preceding fiscal year (commencing with the fiscal year ending December 31, 2023), (ii) timely notice of the occurrence of certain material events with respect to the Bonds and financial obligations of the County, and (iii) timely notice of a failure by the County to provide the required annual financial information on or before the date specified in (i) above.

The successful bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, in form and substance reasonably satisfactory to the successful bidder, evidence that the County has made the continuing disclosure undertaking set forth above in a written agreement or contract for the benefit of the holders of the Bonds and the beneficial owners thereof.

The approving legal opinion of Bond Counsel will be furnished without cost to the purchaser. The preliminary Official Statement contains a discussion of the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the exclusion from gross income for Federal income tax purposes of the interest on the Bonds and a description of the opinion of Bond Counsel with respect thereto. The County has covenanted, to the extent permitted by the Constitution and laws of the State of New Jersey, to comply with the provisions of the Code required to preserve the exclusion from gross income of interest on the Bonds for Federal income tax purposes. There will also be furnished the usual closing papers.

If the 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 Bonds resulting by reason of such insurance, unless otherwise paid, shall also be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not in any way relieve the purchaser of its contractual obligations arising from the acceptance of its proposal for the purchase of the Bonds.

ISSUE PRICE DETERMINATION UNDER INTERNAL REVENUE CODE

If the "competitive sale requirements" are not satisfied, the winning bidder shall have the option to designate whether the "10% test" or the "hold-the-offering-price rule" shall apply to all the Bonds.

The following paragraphs contain the terms for the determination of issue price.

(a) The winning bidder shall assist the County in establishing the issue price of the Bonds and shall execute and deliver to the County at closing an "issue price" or similar

certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. A form of issue price certificate is available upon request to Steven L. Rogut, Bond Counsel, (908) 931-1150 or slr@rogutmccarthy.com.

(b) The County 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 Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) the County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the County anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds 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 Bonds, as specified in the bid. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless the bidder intends to hold the Bonds for its own account with no intention to offer the Bonds to the public, the bidder, by submitting a bid, represents to the County that the bidder has an established industry reputation for underwriting new issuances of municipal bonds.

(c) In the event that the competitive sale requirements are not satisfied, the County shall so advise the winning bidder. In that case, the winning bidder shall have the option to designate (by 5:00 P.M. Prevailing Time on the sale date) whether the issue price will be calculated upon either (a) the first price at which 10% of each maturity of the Bonds (the "10%

test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis, or (b) a commitment to neither offer nor sell any of the Bonds of any maturity to any person at a price that is higher than the initial offering price to the public as of the sale date (the "initial offering price") during the holding period (as defined herein).

(d) If the 10% test is selected, the winning bidder shall advise the County if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds, and bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds. If the competitive sale requirements are not satisfied and the 10% test is selected, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the County the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the County or Bond Counsel.

(e) In the event the "hold-the-offering-price" method is selected, for each maturity of the Bonds the winning bidder shall (a) neither offer nor sell any of the Bonds of such maturity to any person at a price that is higher than the initial offering price for such maturity during the holding period for such maturity (the "hold-the-offering-price rule"), and (b) verify that any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no underwriter (as defined below) shall offer or sell any maturity of the Bonds at a price that is higher than the respective initial offering price for that maturity of the Bonds during the holding period.

(f) 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 Bonds 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, to (A) either comply with the hold-the-offering-price limitations stated herein or to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, depending upon whether the hold-the-offering-price method or the 10% test is selected by the winning bidder, (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds 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, and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds 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 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to either comply with the hold-the-offering-price limitations stated herein or to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity 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 Bonds of that maturity, 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, depending upon whether the hold-the-offering-price method or the 10% test is selected by the winning bidder.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds 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 or otherwise with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds 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 Bonds 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 Bonds to the public),
- (iii) a purchaser of any of the Bonds 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),
- (iv) "sale date" means the date that the Bonds are awarded by the County to the winning bidder,
- (v) "holding period" means, for each maturity of the Bonds, the period starting on the sale date and ending on the earlier of (i) the close of the fifth business day after the sale date, or (ii) the date on which the Underwriter has sold at least 10% of each maturity to the Public at

prices that are no higher than the Initial Offering Price for such maturity, and

- (vi) "maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

By order of the Board of County Commissioners of the County of Passaic, New Jersey.

Dated: June 6, 2024

/s/ Richard Cahill
Director of Finance
County of Passaic, New Jersey