

**TOWN OF NEWTON, IN THE  
COUNTY OF SUSSEX, NEW JERSEY  
NOTICE OF \$4,979,000 GENERAL IMPROVEMENT BOND SALE  
(BOOK-ENTRY-ONLY)  
(CALLABLE)  
(BANK QUALIFIED)**

**SUMMARY**

ISSUER:	Town of Newton, in the County of Sussex, New Jersey
PAR AMOUNT:	\$4,979,000
SECURITY:	General Obligations of the Town
TAX EXEMPT:	Yes
RATINGS AND INSURANCE:	Rating to be Determined
TYPE OF SALE:	Electronic proposals via the Parity Electronic Bid System ("PARITY") of i-Deal LLC ("i-Deal") (See Bidding Details Item herein)
BOND SALE AGENT:	PARITY
BID/AWARD DATE:	August 11, 2016 electronic proposals until 11:00 a.m., local time, at which time they will be publicly opened, received and announced. Award by 3:30 p.m.
DATED DATE:	Date of Delivery
DELIVERY DATE:	On or about August 25, 2016
INTEREST PAYMENT DATES:	February 15 and August 15, commencing February 15, 2017
FORM:	Book-entry-only
FIRST CALL DATE:	August 15, 2024
MINIMUM BID:	\$4,979,000 (Par)
BID SECURITY:	<b><u>Good Faith Check or wire transfer in the amount of \$99,580 received by the Town prior to bidding</u></b>
BASIS OF AWARD:	<u>True Interest Cost</u>
OFFERING STATEMENT:	Preliminary Official Statement available at <a href="http://www.prospectushub.com">www.prospectushub.com</a> and the <u>Bond Buyer Online</u>

## **NOTICE**

NOTICE IS HEREBY GIVEN that electronic proposals will be received by The Town of Newton, in the County of Sussex, New Jersey (the "Town") for the purchase of \$4,979,000 original principal amount of the Town's General Improvement Bonds (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety via "PARITY Electronic Bid System" (PARITY) prior to 11:00 a.m., New Jersey time on August 11, 2016. To bid, Bidders (as defined below) must have submitted a wire or a good faith check payable to the Town in the amount of \$99,580 by no later than 10:30 a.m. on the Bid Date (see Bidding Details below).**

### **Preliminary and Final Official Statement**

The Town's Preliminary Official Statement (the "POS") is available for viewing in electronic format on [www.prospectushub.com](http://www.prospectushub.com) and in *The Bond Buyer Online*. *The Bond Buyer Online* address is [www.bondbuyer.com/legalnotices/?type=bondsales](http://www.bondbuyer.com/legalnotices/?type=bondsales). In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to August 11, 2016, elect to receive a photocopy of the POS in the mail by calling the Town's bond counsel, McManimon, Scotland & Baumann, LLC ("Bond Counsel"), 75 Livingston Avenue, Roseland, New Jersey 07068 to the attention of Charles Anthony Solimine, Esq. (telephone no. 973-622-4893) or Terry Anderson (telephone no. 973-622-5161). All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

The POS is deemed by the Town to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the "Final Official Statement") as may be necessary.

The Town, at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements within seven (7) business days following the date of acceptance of the Bid.

### **Types of Bids Allowed**

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an "All-or-None" ("AON") basis for the entire amount of \$4,979,000. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Town, the Bidder will be required to purchase the entire issue in accordance with such Bid.

### **Insurance**

All or any part of the Bonds can be insured at the option of the Bidder. The insurance premium, if any, will be paid by the Bidder.

### **Interest Payment Dates; Description of the Bonds**

The Bonds will be dated the date of delivery and will bear interest from such date payable semiannually on each February 15 and August 15, commencing on February 15, 2017.

## Principal Amortization

The Bonds will consist of serial bonds maturing on August 15 in the years 2017 through 2032, inclusive, as set forth in the following table:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2017	\$200,000	2025	\$400,000
2018	200,000	2026	350,000
2019	230,000	2027	400,000
2020	200,000	2028	400,000
2021	200,000	2029	375,000
2022	200,000	2030	340,000
2023	400,000	2031	340,000
2024	400,000	2032	344,000

## Book-Entry-Only

The Bonds will be issued in book-entry form only, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of any multiple of \$1,000 (with a minimum purchase of \$5,000 required). Payments of principal and interest will be made by the paying agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

## Section 265 Qualification

The Bonds will be designated as qualified under Section 265 of the Internal Revenue Code of 1986, as amended, by the Town for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

## Redemption Provisions

The bonds of this issue maturing prior to August 15, 2025 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after August 15, 2025 are redeemable at the option of the Town in whole or in part on any date on or after August 15, 2024 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Town or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Town determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Town. The bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together

with unpaid accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bonds after the date fixed for redemption. Payment shall be made upon surrender of the bonds redeemed.

### **Term Bond Option – Not Available**

### **Terms of PARITY**

Each electronic proposal must be submitted via PARITY. No bidder will see any other bidder's bid, nor will any bidder see the status of its bid relative to other bids (e.g., whether its bid is a leading bid). To the extent any instructions or directions set forth on 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) 404-8102. The Town 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 Bonds is submitted via PARITY, the bidder further agrees that: The Town may regard the electronic transmission of the bid via PARITY (including information about the purchase price of the Bonds, the interest rate or rates to be borne by the various maturities of the Bonds, the initial public offering price of each maturity of the Bonds and any other information included in such transmission) as though the same information were submitted on the official "Proposal for Bonds" provided by the Town and executed by a duly authorized signatory of the bidder. If a bid submitted electronically via PARITY is accepted by the Town, the terms of the official "Proposal for Bonds" and this Notice of Sale and the information that is electronically transmitted via PARITY shall form a contract, and the successful bidder shall be bound by the terms of such contract.

PARITY is not an agent of the Town, and the Town 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 Town or information provided by the bidder.

The Town 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., Eastern Time, on the last business date prior to the bid date.

Once the bids are communicated electronically via PARITY to the Town, each bid will constitute an official "Proposal for Bonds" and shall be deemed to be an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale. For purposes of submitting all "Proposals for Bonds," whether electronically or sealed, the time as maintained on PARITY shall constitute the official time.

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 Town nor i-Deal shall have any duty or obligation to provide or assure to any bidder, and neither the Town 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 Town is using PARITY as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Bonds. By using PARITY, each bidder agrees to hold the Town harmless for any harm or damages caused to such bidder in connection with its use of PARITY for bidding on the Bonds.

### **Bidding Details**

Bidders should be aware of the following bidding details associated with the sale of the Bonds:

- (1) BIDDERS MUST SUBMIT A WIRE TRANSFER OR A GOOD FAITH CHECK IN THE AMOUNT OF \$99,580 PAYABLE TO THE TOWN NO LATER THAN**

**10:30 A.M. ON THE DAY OF SALE. HOWEVER, BIDDERS ARE ENCOURAGED TO SUBMIT CHECKS ON THE DAY PRIOR TO THE SALE TO ASSURE RECEIPT OF PAYMENT BY THE TOWN AT THE FOLLOWING ADDRESS:**

**Dawn L. Babcock, Chief Financial Officer  
Town of Newton  
39 Trinity Street  
Newton, NJ 07860**

**BIDDERS SUBMITTING GOOD FAITH CHECKS SHOULD ALSO ENCLOSE A RETURN ENVELOPE FOR USE BY THE TOWN.**

**UNSUCCESSFUL BIDDERS SUBMITTING THE GOOD FAITH DEPOSIT BY WIRE TRANSFER SHALL, NO LATER THAN THE CLOSE OF BUSINESS ON THE DATE OF SALE OF THE BONDS, PROVIDE THE TOWN CHIEF FINANCIAL OFFICER IN WRITING WITH WIRING INSTRUCTIONS FOR THE RETURN OF SUCH UNSUCCESSFUL BIDDER'S GOOD FAITH DEPOSIT. IN THE EVENT THAT THE TOWN FAILS TO RETURN ANY GOOD FAITH WIRES IN A TIMELY FASHION, THE TOWN SHALL NOT BE LIABLE FOR MONETARY DAMAGES, REMEDY BEING HEREBY SPECIFICALLY LIMITED TO SPECIFIC PERFORMANCE.**

- (2) All Bids must be submitted via PARITY. **No telephone, telefax, telegraph or personal delivery Bids will be accepted.**
- (3) All Bids for the Bonds must be submitted on an AON basis.
- (4) Each proposal submitted must name the rate or rates of interest per annum to be borne by 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. There is no limitation on the number of rates that may be named. The difference between the highest and lowest rates of interest named in the Proposal shall not exceed three percent (3%). Each proposal submitted must state the purchase price, which must be not less than the par amount of the Bonds to be delivered or more than 103% of the par amount of the Bonds. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest true interest cost. Such true interest cost shall be computed, as to each bid, as set forth below under the definition for True Interest Cost. 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 true interest cost to the Town under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.
- (5) Bidders are only permitted to submit Bids for the Bonds during the bidding period.
- (6) Bidders may bid to purchase Bonds from the Town with an original issue premium. **To the extent that any bid submitted includes an original issue premium, the bid shall not exceed 103% of the principal amount thereof.** No Bid will be considered if the Bid is to purchase Bonds at a price less than 100% of the principal amount thereof.

## **Definitions**

“Bid”	any confirmed purchase offer received by PARITY on or before the proposal submission deadline.
“Bidder”	any firm registered and approved for participation in sale.
“Winning Bid”	any purchase offer made by a Bidder and received by PARITY that, at the end of the bidding time period, results in the lowest TIC that is acceptable to the Town.
“True Interest Cost” or “TIC”	true interest cost shall be computed in each instance by determining the interest rate or rates, compounded semi-annually, necessary to discount the debt service payments to the date of the bonds and to the price bid, excluding interest accrued to the delivery date. The True Interest Cost serves as the basis for awarding bonds to winning Bidders.

## **Bid Procedure and Basis of Award**

Subject to the right reserved by the Town to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid complies with the Notice of Sale and produces the lowest TIC for the Town based upon the maturity schedule set forth in the Notice of Sale.

Bids must remain valid until at least 3:30 p.m., prevailing time, on the date of the sale, and if accepted by the Town, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Town will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

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

**A Good Faith Deposit (“Deposit”) in the form of a wire transfer or a certified, treasurer’s or cashier’s check in the amount of \$99,580 payable to the order of the Town is required for each Bid to be considered. Wire instructions can be obtained by contacting Anthony P. Inverso or Bryan Morris of Phoenix Advisors, LLC, Financial Advisor to the Town, at (609) 291-0130, and such wire must be received and confirmed by the Town prior to the time for bids to be submitted. If a check is used, it must be a certified, treasurer’s or cashier’s check and must be provided to the Town no later than by 10:30 a.m. on the Bid Date. Each bidder accepts responsibility for delivering such check on time, and the Town is not responsible for any check that is not received on time. If the Bonds are awarded to a bidder by wire transfer, then that purchaser (the “Purchaser”) is required to submit its Deposit to the Town by wire transfer as instructed by the Town not later than 3:30 p.m. on the next business day following the award. 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 Town. 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 3:30 p.m. of the day of receipt of such Bids and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Town at closing.**

## **Right to Reject Bids; Waive Irregularities**

The Town reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

## **Information Required from the Winning Bidder**

By making a bid for the Bonds, the winning bidder(s) agrees: (a) to provide to the Town, in writing, immediately upon being unofficially awarded the Bonds, a written confirmation of the bid, as appropriate, which shall include the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement or by Bond Counsel; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement; (c) to promptly file a copy of the final Official Statement with each nationally recognized Municipal Securities Information Repository; and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to alternate purchasers.

## **Delivery of the Bonds**

The Bonds will be delivered on or about August 25, 2016 in New York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Mayor or Chief Financial Officer relating to the Official Statement.

## **CUSIP Numbers**

CUSIP numbers will be applied for with respect to the Bonds by the winning bidder, but the Town will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds.

## **Legal Opinions**

The approving opinion of Bond Counsel will be furnished without cost to the winning Bidder.

## **Postponement**

The Town reserves the right to postpone, upon not less than 24 hours' notice, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED OR POSTED BEFORE 11:00 A.M. ON THE DAY BEFORE THE SALE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via PARITY at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity in all respects with the provisions of the Notice of Sale, except for the date of sale and except for the changes announced on [www.-prospectushub.com](http://www.-prospectushub.com) at the time the sale date and time are announced.

### **Additional Information**

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Town. The Notice of Sale and the POS may be viewed on MuniHub. However, the Town makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniHub, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from the Bond Counsel at the address and the phone number stated above. For additional information relating to the sale please contact PARITY at I-Deal at (212) 404-8102. Additional information relating to the financing of the Town can be obtained by contacting the undersigned Chief Financial Officer at (973) 383-3521.

. Town of Newton, in the County of Sussex, New Jersey

By: Dawn L. Babcock  
Chief Financial Officer

Dated: July 18, 2016