



Following the sale of the Notes the successful bidder(s) will be required to provide to the Town certain information regarding the reoffering price to the public of the Notes. The successful bidder(s) shall furnish to the Town a certificate acceptable to Bond Counsel, dated as of the day of closing for the Notes, stating the initial prices at which a bona fide public offering of all of the Notes was made and stating that 10% or more of the Notes were in fact sold to the public (excluding bond houses, brokers and other intermediaries) at or below such initial respective public offering prices. Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

As a condition to the purchaser's obligation to accept delivery of and pay for the Notes the purchaser will be furnished, without cost, the following, dated as of the date of the delivery and payment for the Notes: (i) certificate of the Supervisor certifying that (a) as of the date of the Official Statement furnished by the Town in relation to said Notes, (which Official Statement is deemed by the Town to be final for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"), except for the omission therefrom of those items allowable under said Rule, said Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the Town is not guaranteed as to accuracy, completeness or fairness he has no reason to believe and does not believe that such information is materially inaccurate, and (b) to his knowledge, since the date of said Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the Town and no material adverse changes in the general affairs of the Town or in its financial condition as shown in said Official Statement other than as disclosed in or contemplated by said Official Statement; (ii) a Closing Certificate constituting receipt for the note proceeds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the Notes; (iii) an arbitrage certificate containing, among other things, covenants with the owners of the Notes that the Town will, (A) take all actions on its part necessary to cause interest on the Notes not to be includable in the gross income of the owners thereof for Federal income tax purposes, including without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Notes and investment earnings thereon, making required payments to the Federal Government, if any, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the Notes to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Notes and investment earnings thereon on certain specified purposes; (iv) a Certificate of the Town, executed by the Supervisor, stating that the Town has agreed, in accordance with the Rule, to provide or cause to be provided, timely notice of the occurrence of certain material events with respect to the Notes, and (v) the unqualified legal opinion as to the validity of the Notes of Fulbright & Jaworski L.L.P., Bond Counsel, of New York, New York. Reference should be made to said Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Notes and the matters covered by such legal opinion.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the Town, to provide to the Town, in writing, within two business days after the date of such award, all information which said successful bidder(s) determines is necessary for it to comply with SEC Rule 15c2-12, including all necessary pricing and sale information, information with respect to the purchase of municipal bond insurance, if any, and underwriter identification. Within five business days following receipt by the Town thereof the Town will furnish to the successful bidder(s), in reasonable quantities as requested by the successful bidder(s), copies of said Official Statement as supplemented updated as necessary, and supplemented to include said information. Failure by the successful bidder(s) to provide such information will prevent the Town from furnishing such Official Statement as supplemented as described above. The Town shall not be responsible or liable in any manner for the successful bidder(s) determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder(s) or for failure to furnish such Official Statement as supplemented as described above which results from a failure by the successful bidder(s) to provide the aforementioned information within the time specified. Acceptance by the successful bidder(s) of such final Official Statements as supplemented shall be conclusive evidence of the satisfactory completion of the obligations of said Town with respect to the preparation and delivery thereof.

The Notes will not be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

**Dated: Oyster Bay, New York  
February 23, 2010**

**JOHN VENDITTO  
Supervisor & Chief Fiscal Officer**

**PROPOSAL FOR NOTES**

**SALE DATE: March 3, 2010  
11:00 A.M., Prevailing Time**

Mr. John Venditto  
Town Supervisor and Chief Fiscal Officer  
Town of Oyster Bay  
County of Nassau, New York  
c/o Fiscal Advisors & Marketing, Inc.  
120 Walton Street • Suite 600  
Syracuse, New York 13202  
Telephone # 315-752-0051, Ext. 1  
Telefax # 315-752-0057

**TOWN OF OYSTER BAY, NASSAU COUNTY, NEW YORK  
\$159,605,000 Bond Anticipation Notes, 2010 Series A**

**Date: March 11, 2010**

**Maturity: March 11, 2011**

Dear Sir:

(1) For \$ \_\_\_\_\_ principal amount of the Notes of the Town as described in the Official Notice of Sale annexed hereto, we hereby offer to pay \$..... Dollars (\$.....) and accrued interest from the date of the Notes to the date of delivery thereof, for Notes bearing interest at the rate (expressed in a multiple of one-eighth or one-hundredth of one per centum) of..... per centum (.....%) per annum.

(2) For \$ \_\_\_\_\_ principal amount of the Notes of the Town as described in the Official Notice of Sale annexed hereto, we hereby offer to pay \$..... Dollars (\$.....) and accrued interest from the date of the Notes to the date of delivery thereof, for Notes bearing interest at the rate (expressed in a multiple of one-eighth or one-hundredth of one per centum) of..... per centum (.....%) per annum.

The following is our computation of the net interest cost, made as provided in the above mentioned Official Notice of Sale, but not constituting any part of the foregoing Proposal for the purchase of the notes therein described:

(1) For \$ _____ Notes at _____ %	(2) For \$ _____ Notes at _____ %
Gross Interest \$ _____	Gross Interest \$ _____
Less Premium Bid Over Par \$ _____	Less Premium Bid Over Par \$ _____
Net Interest Cost (NIC) \$ _____	Net Interest Cost (NIC) \$ _____
Effective NIC Rate _____% (four decimals)	Effective NIC Rate _____% (four decimals)

In the event we are awarded all or any portion of said Notes, we will promptly notify you of the denominations and paying agent or if we desire book-entry-only form in accordance with the terms of said Notice of Sale.

\_\_\_\_\_  
Print Name of Bidder

\_\_\_\_\_  
Bank/Institution

Telephone ( ) \_\_\_\_\_

Telefax ( ) \_\_\_\_\_