

APPENDIX D-3 – NOTICES OF SALE – THE SERIES B NOTES

NOTICE OF SALE

CITY OF NEW LONDON, CONNECTICUT \$12,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES

(BOOK-ENTRY ONLY)

Electronic bids (as described herein) will be received by the CITY OF NEW LONDON, CONNECTICUT (the "City"), until **12:00 P.M. (E.S.T.) on**

Thursday, March 6, 2025

for the purchase of the City of New London, Connecticut, \$12,500,000 General Obligation Bond Anticipation Notes (the "Series B Notes"). Electronic bids must be submitted via *PARITY*® in the manner specified below. (See "Electronic Bidding Procedures").

The Series B Notes

The Series B Notes will be dated March 21, 2025 and will be payable to the registered owner on March 12, 2026, as further described in the Preliminary Official Statement for the Series B Notes dated February 21, 2025 (the "Preliminary Official Statement"). The Series B Notes will bear interest (which interest shall be computed on a 360-day year, twelve 30-day month basis) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/1000 of 1% per annum.

The Series B Notes are not subject to redemption prior to maturity.

The Series B Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. The Series B Notes will be issued in registered form and one note certificate will be issued to The Depository Trust Company, New York, New York ("DTC"), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Series B Notes in principal amounts of \$5,000 or integral multiples thereto with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidder, as a condition to delivery of the Series B Notes, will be required to deposit the note certificate with DTC, registered in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. Principal of and interest on the Series B Notes will be payable by the City or its agent in same-day funds to DTC or its nominee as registered owner of the Series B Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The City will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Nature of Obligation

The Series B Notes will be general obligations of the City for payment of which the City's full faith and credit will be pledged as discussed in more detail in the Preliminary Official Statement section entitled "Security and Remedies". The Series B Notes are payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the City without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

No Bank Qualification

The Series B Notes shall NOT be designated by the City as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, (the "Code") for purposes of the deduction by financial institutions for interest expense allocable to the Series B Notes.

Electronic Bidding Procedures

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of *PARITY*®. Subscription to i-Deal LLC's BiDCOMP Competitive Bidding System is required at the sole cost of the bidder in order to submit an electronic bid and the City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of *PARITY*® shall be deemed an irrevocable offer to purchase the Series B Notes on the terms provided in the Notice of Sale, shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City, and upon acceptance by the City shall bind the bidder to a legally valid, binding and enforceable contract to purchase the Series B Notes on the terms described in this Notice of Sale. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, *PARITY*®, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice of Sale shall conflict with information provided by *PARITY*® as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about *PARITY*®, including any fee charged, may be obtained from *PARITY*®, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Service Department (telephone: (212) 849-5021 – email notice: parity@i-deal.com).

For purposes of the electronic bidding process, the time as maintained by *PARITY*® shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the net interest cost to the City, as described in this Notice of Sale. All bids shall be deemed to incorporate the provisions of this Notice of Sale.

Bid Specifications/Basis of Award

Proposals for the purchase of the Series B Notes must be submitted electronically, in accordance with the requirements prescribed herein. A proposal may be for all or any part of the Series B Notes but any proposal for a part must be for not less than \$100,000, or a whole multiple thereof, and a separate proposal will be required for each part of the Series B Notes for which a separate interest rate is bid. As between proposals resulting in the same lowest net interest cost (rounded to six decimal places) to the City, the award will be made on the basis of the highest principal amount of the Series B Notes specified. No bid for less than par and accrued interest, if any, will be considered and the City reserves the right to award to any bidder all or any part of the Series B Notes bid for in its proposal. If a bidder is awarded only a part of the Series B Notes bid for in its proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the City with respect to the Series B Notes awarded is the same as the contained in the bidder's proposal with respect to the entire amount bid, rounded to six decimal places. The Series B Notes will be awarded or all bids will be rejected promptly after the bid opening, but not later than 4:30 P.M. (E.D.T.) on March 6, 2025. The purchase price must be paid in Federal funds.

The City reserves the right to reject any and all bids and to waive any irregularity or informality with respect to any bid. The City further reserves the right to postpone the sale to another time and date in its sole and absolute discretion for any reason, including, without limitation, internet difficulties. The City will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Unless rejected or postponed, the Series B Notes will be awarded to the bidder or bidders offering to purchase the Series B Notes at the lowest net interest cost, computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. It is requested that each proposal be accompanied by a statement of the percentage of net interest cost; such statement shall not be considered part of the proposal.

By submitting a bid for the Series B Notes, the bidder represents and warrants to the City that such bidder's bid for the Series B Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the City will bind the bidder by a legal, valid and enforceable contract for the purchase of the Series B Notes on the terms described in this Notice of Sale.

Closing Documents and Legal Opinion

The Series B Notes will be certified by U.S. Bank Trust Company, National Association, of Hartford, Connecticut. U.S. Bank Trust Company, National Association will act as Paying Agent and Registrar. The legality of the issue will be passed upon by Tobin, Carberry, O'Malley, Riley & Selinger, P.C., of New London, Connecticut, Bond Counsel to the City, and the winning bidders will be furnished with their opinion without charge. Each winning bidder will also be furnished with a Signature and No Litigation Certificate, a receipt of payment satisfactory in form to Bond Counsel, a signed copy of the Official Statement prepared for this sale, a certificate signed by the appropriate officials of the City relating to the accuracy and completeness of information contained in the Official Statement, and an executed Continuing Disclosure Agreement.

The legal opinion will further state that, under existing statutes and court decisions (i) interest on the Series B Notes is excluded from gross income for Federal income tax purposes, (ii) such interest is not treated as an item of tax preference for purposes of computing the Federal alternative minimum tax on individuals; however, such interest may be subject to the Federal alternative minimum tax imposed under Section 55(b) of the Code on applicable corporations (within the meaning of Section 59(k) of the Code), (iii) under existing statutes, interest on the Series B Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and (iv) such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay Federal alternative minimum tax. In rendering the legal opinion, Bond Counsel will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Arbitrage and Use of Proceeds Certificate entered into by the City for the benefit of the owners of the Series B Notes, and further, will assume compliance by the City with the covenants and procedures set forth in such Arbitrage and Use of Proceeds Certificate. A signed opinion and transcript of proceedings will be filed with U.S. Bank Trust Company, National Association, of Hartford, Connecticut, and will be available for examination upon request.

Obligation to Deliver Issue Price Certificate

(a) The winning bidder shall assist the City in establishing the issue price of the Series B Notes and shall execute and deliver to the City 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 Series B Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Series B Notes may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City 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 Series B Notes) will apply to the initial sale of the Series B Notes (the "competitive sale requirements") because:

- (1) the City 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 City will 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 City anticipates awarding the sale of the Series B Notes to the bidder who submits a firm offer to purchase the Series B Notes at the lowest interest cost, as set forth in this Notice of Sale.

(c) In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. In such event, the City may elect to treat (i) the first price at which ten percent (10%) of Series B Notes (the "10% test") is actually sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of the Series B Notes as the issue price of that maturity (the "hold-the-offering-price rule"). The winning bidder shall advise the City if the Series B Notes satisfy the 10% test as of the date and time of the award of the Series B Notes. The City shall promptly advise the winning bidder, at or before the time of award of the Series B Notes, whether Series B Notes shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to the Series B Notes. Bidders should prepare their bids on the assumption that the Series B Notes will be subject to the hold-the-offering-price rule in order to establish the issue price of the Series B Notes.**

(d) If the competitive sale requirements are not satisfied, and the City does not elect to apply the hold-the-offering-price rule, then until the 10% test has been satisfied as to the Series B Notes, the winning bidder agrees to promptly report to the City the prices at which the Series B Notes have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Series B Notes or until all Series B Notes have been sold to the public.

(e) If the competitive sale requirements are not satisfied and the City elects to apply the hold-the-offering-price rule, by submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Series B Notes to the Public on or before the date of the award at the offering price ("the initial offering price"), or at the corresponding yield, set forth in the bid submitted by the winning bidder, and (ii) agree, on behalf of the underwriters participating in the purchase of the Series B Notes, that the underwriters will neither offer nor sell unsold Series B Notes to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) The close of the fifth (5th) business day after the sale date; or
- (2) The date on which the underwriters have sold at least 10% of the Series B Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the City when the underwriters have sold 10% of the Series B Notes to the public at prices that are no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business date after the sale date.

(f) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Series B 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 retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series B Notes allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series B Notes or all Series B Notes have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Series B Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Series B Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the Series B Notes until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Series B Notes or all Series B Notes have been sold to the public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series B Notes.

(g) Sales of any Series B Notes to any person that is a related party to an underwriter 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 City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series B 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 Series B Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series B Notes to the public),
- (iii) a purchaser of any of the Series B Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 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), (ii) 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 (iii) 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 Series B Notes are awarded by the City to the winning bidder.

Continuing Disclosure

The City will enter into a Continuing Disclosure Agreement for the Series B Notes entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide (i) certain annual financial information and operating data, including audited financial statements; (ii) timely notice of the occurrence of certain events with respect to the Series B Notes; and (iii) timely notice of its failure to provide such annual financial information. The winning bidder's obligation to purchase the Series B Notes shall be conditioned upon its receiving, at or prior to the delivery of the Series B Notes, an executed copy of the Continuing Disclosure Agreement for the Series B Notes.

Settlement of the Series B Notes

It is anticipated that the Series B Notes will be delivered to DTC in New York City on or about March 21, 2025. The deposit of the Series B Notes with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the winning bidder to obtain CUSIP numbers for the Series B Notes prior to delivery, and the City will not be responsible for any delay occasioned by the inability to deposit the Series B Notes with DTC due to the failure of the winning bidder to obtain such numbers and to supply them to the City in a timely manner. Neither the failure to print such CUSIP number on any note, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereto to accept delivery of and pay for the Series B Notes. The City assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid by the purchaser.

The Preliminary Official Statement is in a form "deemed final" by the City for purposes of SEC Rule 15c2-12(b)(1). The winning bidder will be furnished 10 copies of the Official Statement prepared for the Series B Notes at the City's expense. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. The copies of the Official Statement will be made available to the winning bidder no later than seven business days after the bid opening. If the City's financial advisor is provided with the necessary information from the winning bidder by noon of the day after the bid opening, the copies of the Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rate, rating, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Series B Notes.

Related Information

For more information regarding this issue and the City, reference is made to the Preliminary Official Statement. Copies of the Preliminary Official Statement containing financial information and pertinent information relating to the issuance, sale and security of the Series B Notes, may be obtained from the undersigned, or from Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, (203) 421-2087.

CITY OF NEW LONDON, CONNECTICUT

By: _____
David F. McBride, Jr.
Director of Finance

February 21, 2025

\$27,774,000
CITY OF NEW LONDON, CONNECTICUT
GENERAL OBLIGATION BOND ANTICIPATION NOTES
CERTIFICATE WITH RESPECT TO "ISSUE PRICE"

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] ("[SHORT NAME OF UNDERWRITER]") [(the "Representative") on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the "Underwriting Group")], hereby certifies as set forth below with respect to the sale and issuance of the above-captioned, single maturity obligations (the "Series B Notes").

Select appropriate provisions below

1. *[Alternative 1-Competitive Sale Rule Applies] Reasonably Expected Initial Offering Price.*

(a) As of the Sale Date, the reasonably expected initial offering price of the Series B Notes to the Public by [SHORT NAME OF UNDERWRITER] [the Representative] is \$_____ (the "Expected Offering Price"). The Expected Offering Price is the price for the Series B Notes used by [SHORT NAME OF UNDERWRITER] [the Representative] in formulating its bid to purchase the Series B Notes. Attached as Schedule A is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] [the Representative] to purchase the Series B Notes.

(b) [SHORT NAME OF UNDERWRITER] [the Representative] was not given the opportunity to review other bids prior to submitting its bid

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Series B Notes.

1. *[Alternative 2-Series B Notes sold under General Rule] Sale of the Series B Notes.* As of the date of this certificate, the first price at which at least 10% of the Series B Notes was sold to the Public is \$_____.

1. *[Alternative 3-Hold the Offering Price Rule Applies] Hold the Offering Price of the Series B Notes.*

(a) [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Series B Notes to the Public for purchase at the initial offering price of \$_____ (the "Initial Offering Price") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Series B Notes is attached to this certificate as Schedule B.]

(b) As set forth in the Notice of Sale and bid award, [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) [it][they] would neither offer nor sell any of the Series B Notes to any person at a price that is higher than the Initial Offering Price during the Holding Period (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold the Series B Notes at a price that is higher than the respective Initial Offering Price for the Series B Notes during the Holding Period.

2. ***Defined Terms.***

(a) *City* means the City of New London, Connecticut.

(b) *Maturity* means Series B Notes with the same credit and payment terms. Series B Notes with different maturity dates, or with the same maturity date but different stated interest rates, would be treated as separate Maturities.

(c) *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.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the Series B Notes. The Sale Date of the Series B Notes is March 6, 2025.

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series B 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 Series B Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series B Notes to the Public).

[Use with Alternative 3

(f) *Holding Period* means 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 ([DATE]), or (ii) the date on which the [SHORT NAME OF UNDERWRITER][the Underwriters] [has][have] sold at least 10% of the Series B Notes to the Public at prices that are no higher than the Initial Offering Price.]

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER] [THE REPRESENTATIVE]'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 City with respect to certain of the representations set forth in the Arbitrage and Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series B Notes, and by Tobin, Carberry, O'Malley, Riley & Selinger, P.C., Bond Counsel, in connection with rendering its opinion that the interest on the Series B 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 City from time to time relating to the Series B Notes.

Dated: [Closing Date]

[UNDERWRITER]

By: _____
Name: _____
Title: _____