

BOROUGH OF BEACHWOOD, IN THE COUNTY OF OCEAN, NEW JERSEY
NOTICE OF \$2,321,500 NOTE SALE
CONSISTING OF:
\$536,500 GENERAL IMPROVEMENT BOND ANTICIPATION NOTES
AND
\$1,785,000 WATER UTILITY BOND ANTICIPATION NOTES
(BANK QUALIFIED)

Proposals are being solicited for the above issue of \$2,321,500 aggregate amount of Notes consisting of \$536,500 General Improvement Bond Anticipation Notes and \$1,785,000 Water Utility Bond Anticipation Notes (collectively, the "Notes") for the purchase at not less than the par amount of the Notes through a fair and open process in accordance with N.J.S.A. 40A:2-28 and N.J.S.A. 40A:4-72. All bids will be publicly opened and announced by Anthony Inverso of Phoenix Advisors, LLC, the Borough's Financial Advisor (the "Financial Advisor"), on behalf of the Borough of Beachwood, in the County of Ocean New Jersey (the "Borough"), at the offices of the Financial Advisor at 4 West Park Street, Bordentown, New Jersey 08505 on March 1, 2012, until 11:00 a.m. Bids submitted by telecopy are the sole responsibility of the bidder and must be received by the Borough by 11:00 a.m. to facsimile number (609) 291-9940. No telephone bids will be accepted. Sealed proposals are encouraged, but faxed proposals will be accepted provided they comply with the conditions stated herein. The Chief Financial Officer of the Borough will evaluate the bids on the basis of the lowest net interest cost to the Borough. A determination as to the award will be made no later than 1:00 p.m. on that date. The telephone number for the Financial Advisor is (609) 291-0130. The Borough accepts no responsibility for the failure of any telecopied bids to be received on time for whatever reason.

Bids delivered by hand must be on the official bid form attached hereto as Exhibit A, signed by the bidder, and enclosed in a sealed envelope addressed and delivered to the Borough's Financial Advisor, at 4 West Park Street, Bordentown, New Jersey 08505 (telephone number (609) 291-0130), and clearly marked "Proposal for \$2,321,500 Borough of Beachwood, New Jersey Notes" (or words of similar import). If the sale of the Notes is canceled or postponed, all bids shall be returned unopened.

If a bidder wishes to transmit its bid by fax, it must be accompanied by a cover sheet stating clearly "PROPOSAL FOR NOTES", and such bidder hereby acknowledges that such faxed bid will not be reviewed by the Borough until the public opening of bids as aforesaid. Bids delivered by facsimile transmission must be on the official bid form attached hereto as Exhibit A, signed by the bidder, and sent to Fax No. (609) 291-9940, Attention: Anthony Inverso.

Warnings: A bid submitted by facsimile transmission will not be considered timely unless, at the deadline for submission of bids, the entire bid form has been received by the receiving fax machines. The official time for receipt of bids will be determined by the Borough at the place of bid opening, and the Borough shall not be required to accept any bidders fax machine time-stamp as evidence of a timely bid. Neither the Borough, nor the Borough's Financial Advisor, nor the law firm of GluckWalrath LLP ("Bond Counsel") shall be responsible for, and the bidder expressly assumes the risk of, any incomplete or untimely bid submitted by

facsimile transmission by such bidder, including, without limitation, by reason of garbled transmission, mechanical failure, engaged telephone or telecommunications lines, or any other cause arising from delivery by facsimile transmission rather than by hand. Bidders may call (609) 291-0130, to confirm receipt of their bids; however the Borough and the Financial Advisor take no responsibility for informing any bidder prior to the time for receiving bids that its bid is incomplete, illegible or not received

The Notes will be issued in two separate series (but with one CUSIP number, if required) in the aggregate principal amount of \$2,321,500. Each bid must offer to purchase all Notes being offered at a price of not less than par and must specify a single rate of interest offered for the Notes. Interest shall be calculated on a 360-day year consisting of twelve 30-day months. Bids may be submitted by completing the proposal form attached hereto and made a part hereof and by submitting it in accordance with this Notice, or bids may be submitted by contacting the undersigned Chief Financial Officer by telephone at (732) 286-6000 extension 212 or by telecopy (732) 349-8390 or the Borough's Financial Advisor by telephone at (609) 291-0130 or by telecopy (609) 291-9940, in accordance with this Notice. The Chief Financial Officer expects to award the Notes to the bidder specifying the lowest net interest payable by the Borough. However, the Borough reserves the right to reject all bids or to award the Notes to a bidder other than the lowest bidder. The bidder, by submitting a bid agrees to accept the determination of the Chief Financial Officer.

SPECIFICATION OF NOTES

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| Principal Amount: | \$2,321,500 |
| Dated: | March 12, 2012 |
| Maturity Date: | March 12, 2013 |
| Interest Rates Per Annum: | Specified by Successful Bidder |
| Legal Opinion: | GluckWalrath LLP Trenton, New Jersey |
| Paying Agent: | Specified by and at the expense of successful bidder within 24 hours of award, subject to approval of the Chief Financial Officer |
| Closing: | |
| a. date | March 12, 2012 |
| b. location | Borough of Beachwood, 1600 Pinewald Road, Beachwood, New Jersey 08722, or at such other place as agreed to by the Chief Financial Officer |

Denominations:

Denominations of \$100,000 or greater if being reoffered, as specified by the successful bidder within 24 hours of award, subject to approval of the Chief Financial Officer

Payment:

Immediately available funds

The Notes will be noncallable general obligations of the Borough. The full faith and credit of the Borough will be pledged for the punctual payment, in accordance with their terms, of the principal of and the interest on the Notes. The Notes will be "qualified tax-exempt obligations" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended.

As a condition to delivery of the Notes, the successful bidder will be required to execute a receipt therefor containing a certification that either (i) it has made a bona fide public offering of the Notes at a stated initial offering price and at least ten percent (10%) of the Notes have been sold to the public (excluding bond houses, brokers or similar organizations acting in the capacity of underwriter or wholesaler) at such initial offering price as would produce a yield to the purchaser(s) thereof equal to a stated percentage per annum, and, it has not entered into any arrangement with any third party to repurchase the Notes in order to enable the successful bidder to reoffer the Notes at higher prices, or (ii) it has not reoffered the Notes to the public and has no present intention to reoffer the Notes to the public. In addition, the certification shall address such other matters as Bond Counsel reasonably may request of the successful bidder.

It shall be the responsibility of the successful bidder to have a CUSIP identification number, if required, issued for the Notes. **Only one CUSIP number shall be required for the Notes.** The request for the assignment of the CUSIP identification number and the CUSIP Service Bureau charge therefor shall be the responsibility of and shall be paid for by the successful bidder. The CUSIP number must be communicated to Bond Counsel within 24 hours of the award of the Notes in order to have the CUSIP number printed on the Notes.

The successful bidder is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("ELEC") pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c.271, s.3) if the successful bidder enters into agreements or contracts, such as its agreement to purchase the Notes, with a public entity, such as the Borough and receives compensation or fees in excess of \$50,000 in the aggregate from public entities, such as the Borough, in a calendar year. It is the successful bidder's responsibility to determine if filing is necessary. Failure to do so can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

In addition, in order to comply with the requirements of Rule 15(c)2-12 of the Securities and Exchange Commission, the successful bidder may only reoffer the Notes in denominations of \$100,000 or more, and may not reoffer the Notes to more than thirty-five (35) persons. The Purchaser must believe that each of the persons to whom the Notes are sold has such knowledge and experience in financial and business matters that it is capable

in evaluating the merits and the risks of the Notes as an investment and is not purchasing the Notes for more than one account with the intent to distribute the Notes. A certification by the Purchaser as to the foregoing matters will be a condition to delivery of the Notes.

No Preliminary Official Statement or other offering document will be prepared by the Borough for this issue. However, certain financial information concerning the Borough is available upon request. For such information please contact the Borough's Financial Advisor, telephone number (609) 291-0130.

/s/ JOHN MAUDER
John Mauder, Chief Financial Officer

EXHIBIT A

PROPOSAL FOR NOTES

March 1, 2012

John Mauder, Chief Financial Officer
Borough of Beachwood
c/o Anthony Inverso
Phoenix Advisors, LLC
4 West Park Street
Bordentown, NJ 08505

Dear Mr. Inverso:

Subject to the provisions of the "Notice of \$2,321,500 Note Sale, Consisting of \$536,500 General Improvement Bond Anticipation Notes and \$1,785,000 Water Utility Bond Anticipation Notes", which is attached hereto and considered a part hereof, we offer to purchase the Notes on the following terms:

Purchase Price: \$ _____ (not less than \$2,321,500)

Interest Rate: _____ %

Name:
Title:
Representing:
Phone Number:

PLEASE COMPLETE THE FOLLOWING:

Interest Payable on Notes \$ _____

Less: Premium, if any \$ _____

Net Interest Payable \$ _____

THIS PORTION OF THE PROPOSAL IS NOT PART OF THE BID