MOORS & CABOT INVESTMENTS
*Banking & Advisory Group*

**NOTICE OF SALE**
**DATED APRIL 16, 2018**

**TOWN OF NEW GLOUCESTER, MAINE**
**$4,600,000**
**2018 GENERAL OBLIGATION BONDS**

SEALED PROPOSALS will be received by the Town of New Gloucester, Maine (the "Town") at the office of Moors & Cabot, Inc. (the "Municipal Advisor"), 111 Devonshire Street, 2nd Floor, Boston, Massachusetts until:

**11:00 O'CLOCK A.M. (E.D.T.) TUESDAY, MAY 1, 2018**

at which time and place all such proposals will be publicly opened and announced for the sale of $4,600,000 2018 General Obligation Bonds (the "Bonds") of the Town. The Bonds will be payable annually on May 1 of each year as follows:

| Amount | May 1, | CUSIP | Amount | May 1, | CUSIP |
|---|---|---|---|---|---|
| $185,000 | 2019 | 64451PAL8 | $185,000 | 2029 | 64451PAW4 |
| 185,000 | 2020 | 64451PAM6 | 185,000 | 2030 | 64451PAX2 |
| 185,000 | 2021 | 64451PAN4 | 185,000 | 2031 | 64451PAY0 |
| 185,000 | 2022 | 64451PAP9 | 185,000 | 2032 | 64451PAZ7 |
| 185,000 | 2023 | 64451PAQ7 | 185,000 | 2033 | 64451PBA1 |
| 185,000 | 2024 | 64451PAR5 | 185,000 | 2034 | 64451PBB9 |
| 185,000 | 2025 | 64451PAS3 | 185,000 | 2035 | 64451PBC7 |
| 185,000 | 2026 | 64451PAT1 | 185,000 | 2036 | 64451PBD5 |
| 185,000 | 2027 | 64451PAU8 | 185,000 | 2037 | 64451PBE3 |
| 185,000 | 2028 | 64451PAV6 | 185,000 | 2038 | 64451PBF0 |

$900,000(†) Term Bond due May 1, 2043 (CUSIP: 64451PBG8)

This Notice of Sale sets forth only a brief summary of certain provisions of the Bonds. For additional information pertaining to the Bonds, a prospective bidder should refer to the Town's Preliminary Official Statement with respect to the Bonds dated as of the date hereof (the "Preliminary Official Statement"). In the event of any conflict between the Preliminary Official Statement and this Notice of Sale, the Preliminary Official Statement shall control.

The Bonds will be dated May 15, 2018 and will bear interest (accrued on the basis of a 360-day year with twelve 30-day months), payable on November 1, 2018, and semi-annually thereafter on May 1 and November 1 of each year until maturity, or redemption prior to maturity, and will be issued only as fully-registered bonds without coupons, one certificate per maturity, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York City, New York ("DTC" or the "Securities Depository"). DTC will act as the securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of $5,000 or any integral multiple thereof.

Bonds maturing on or before May 1, 2028 are not subject to redemption prior to their stated dates of maturity. Bonds maturing on and after May 1, 2029 are subject to redemption prior to their stated dates of maturity, at the option of the Town, on and after May 1, 2028, as a whole or in part at any time, in such order of maturity as the Town, in its discretion, may determine at a price of par (100% of original stated amount of value at maturity), together with interest accrued and unpaid to the redemption date, if any ("Optional Redemption").

It is expected that the Bonds, in definitive form, will be available for delivery on or about May 15, 2018.

NOTE: (†) The Term Bonds are subject to mandatory sinking fund redemption as described herein.

Term Bonds maturing on May 1, 2043 are also subject to mandatory sinking fund redemption or mature on and after May 1, 2039 at a price equal to the principal amount to be redeemed, plus accrued interest to the date of redemption thereof, and shall be redeemed on May 1 in the following years and principal amounts:

**Term Bond due 2043**

| May 1, | Amount |
|---|---|
| 2039 | $180,000 |
| 2040 | 180,000 |
| 2041 | 180,000 |
| 2042 | 180,000 |
| 2043(*) | 180,000 |

NOTE: (*) Year of final maturity.

The Bonds will be issued by means of The Depository Trust Company's Book-Entry-Only System with no physical distribution of Bond certificates made to the public. One Bond certificate for each maturity will be issued to The Depository Trust Company, New York City, New York ("DTC") and immobilized in their custody. The Book-Entry Only System will be employed, evidencing ownership of the Bonds in principal amounts of $5,000, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures established by DTC and its Participants. The winning bidder (the "purchaser"), 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. Principal of and interest on the Bonds will be payable in Clearing House Funds to DTC or its nominee as registered owner of the Bonds. 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 will be the responsibility of such Participants and other nominees of Beneficial Owners. The Town will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

The original Bond certificates to be immobilized at DTC will be prepared under the supervision of and authenticated by U.S. Bank National Association, Boston, Massachusetts, Paying Agent, and their legality approved by Bernstein Shur Sawyer & Nelson, P.A., Portland, Maine, Bond Counsel to the Town ("Bond Counsel"), whose opinion will be furnished to the purchaser without charge. The form of such opinion is set forth in the Preliminary Official Statement.

Bond Counsel's opinion will be provided to the original purchaser and will indicate that the Bonds are valid general obligations of the Town and, unless paid from other sources, are payable as to both principal and interest from ad valorem taxes that are subject to limitation unless certain procedural requirements under Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, are met, in which case such ad valorem taxes may then be levied, without limit as to rate or amount upon all the property within the territorial limits of the Town and taxable by it, except to the extent that the Town may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality and except to the extent that the Town establishes or has established development districts either as tax increment financing districts or affordable housing development districts pursuant to Title 30-A, Chapters 206 and former 207 (now repealed) of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds. The Treasurer has certified that the Town has no agreements under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share assessed valuation with another municipality. The opinion will indicate that the enforceability of the obligations of the Town, including the Bonds, is subject to and may be limited by bankruptcy, insolvency, moratorium and other laws affecting the rights and remedies of creditors generally, and are subject to general principles of equity.

The opinion will be dated and given on and will speak as of the date of original delivery of the Bonds to the original purchasers.

**The Town *will designate* the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.**

There is no litigation, threatened or pending, affecting the validity of the Bonds, the corporate existence or the boundaries of the Town, or the title of the present officers to their respective offices, and the purchaser or purchasers will be furnished with a certificate to this effect.

**Bid Specifications**

Bids must specify the amount bid for the Bonds, not less than 100.000% of the par value of the issue and:

- Must state in a multiple of one-eighth (1/8) or one twentieth (1/20) of one per centum (1%) the rate or rates of interest per annum which the several maturities of the Bonds are to bear;
- All Bonds maturing in any one year must carry the same interest rate and each interest period shall be represented by one interest rate. Bids which include split or supplemental interest rates will not be considered;
- ***Serial Bonds:*** The Bonds will be issued as Serial Bonds and no proposal to consolidate maturities into a Term Bond(s) will be considered;
- ***Minimum Bid:*** Only bids at or greater than 101.130435% of the issue amount (or ≥ $52,000.00) bid premium) will be accepted;
- ***Application of Bid Premium:*** Bid premium may be used to apply funds to pay for costs of issuance, capitalized interest or, if to the projects, may reduce the amount of Bonds issued to finance the projects;
- Should the Town apply bid premium to reduce the amount of Bonds issued, the Town will apply the same percentage amount of underwriter's spread per thousand to the reduced issue amount;
- The original purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of delivery, if any;
- A "Good Faith" deposit is not required.

As between proposals which comply with this Notice, the Bonds will be sold to the bidder whose proposal offers to purchase all of the Bonds at the lowest True Interest Cost ("TIC"), that is, the annual interest rate, compounded semiannually, which when used to discount **to the May 15, 2018 delivery date** all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds including accrued interest to the date of delivery but which will include any premium bid thereon. The TIC should be computed to four decimal places. Bids must be submitted:

(a) In a sealed envelope marked "Proposal for Bonds" and addressed to the Town of New Gloucester, Maine, c/o Moors & Cabot, Inc. – Banking & Advisory Group, 111 Devonshire Street, Boston, MA 02109-5483;

(b) Although telephone bids will not be accepted by the Town, the Municipal Advisor will prepare sealed bids as agent for the bidder, per telephone instructions received at (617) 314-0258 *prior to sale time on Tuesday, May 1, 2018*. The Municipal Advisor shall not be responsible for any errors or omissions in connection with bids submitted as agent on behalf of bidders. The Municipal Advisor may be contacted as follows:

Joseph P. Cuetara, Senior Vice President
Moors & Cabot, Inc. – Banking & Advisory Group
111 Devonshire Street
Boston, MA 02109-5483
*jcuetara@moorscabot.com*

(c) Via FACSIMILE copy to the Municipal Advisor at (617) 451-0288 *received not later than sale time on Tuesday, May 1, 2018*; or

(d) Electronically via i-Deal[SM] *PARITY*® in accordance with this Notice of Sale, until 11:00 A.M. (E.D.T.), but no bid will be received after the time for receiving bids specified above. 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. Each bidder submitting an electronic bid understands and agrees by doing so that it is solely responsible for all arrangements with *PARITY*®, that the Town neither endorses nor encourages the use of *PARITY*®, and that *PARITY*® is not acting as an agent of the Town. Instructions and forms for submitting electronic bids must be obtained directly from *PARITY*®. For further information about *PARITY*®, potential bidders should contact Dalcomp at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

The Town assumes no responsibility for ensuring or verifying bidder compliance with *PARITY*® procedures. The Town shall be entitled to assume that any bid received via *PARITY*® has been made by a duly authorized agent of the bidder. The Town, the Municipal Advisor and Bond Counsel assume no responsibility for any malfunction of the *PARITY*® system, any failure of a bid to be received by the official time, or any error contained in any bid submitted electronically. The official time for receipt of bids will be determined by the Town at the place of bid opening, and the Town shall not be required to accept the time kept by *PARITY*® as the official time. In the event of a malfunction of the *PARITY*® system, bidders should submit their bids as discussed in the above (a), (b) or (c) manner on the PROPOSED FORM OF BID LETTER attached hereto.

The right is reserved to reject any or all proposals and to accept or reject any proposal not complying with this Notice of Sale, and, so far as permitted by law, to waive any irregularity or informality with respect to any proposal. A final decision as to the award of the bid rests with and is subject to confirmation by the Treasurer of the Town. When the successful bidder has been ascertained, the Town will notify such bidder.

The Town has not contracted for the issuance of any policy of municipal bond insurance for the Bonds. If the Bonds qualify for issuance of any such policy or commitment therefore, any purchase of such insurance or commitment shall be at the sole option and expense of the bidder and any increased costs of issuance or delivery of the Bonds resulting by reason of such insurance shall be paid by such bidder. Proposals shall not be conditioned upon the issuance of any such policy or commitment and any failure of the Bonds to be insured or of any such policy or commitment to be issued shall not in any way relieve the purchaser of their contractual obligations arising from the acceptance of their proposal for the purchase of the Bonds.

The Municipal Advisor intends to provide the purchaser of the issue with CUSIP identification numbers as is discussed in the Preliminary Official Statement, in compliance with MSRB Rule G-34, (a)(i) (A)-(H). As is further discussed in Rule G-34 the purchaser, as the "dealer who acquires" the issue, is responsible for the registration fee to the CUSIP Bureau for this service. It is anticipated that CUSIP identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the Town, provided, however, that the Town assumes no responsibility for any CUSIP Service Bureau charge or other charges that may be imposed for the assignment of such numbers.

Additional information concerning the Town of New Gloucester, Maine and the Bonds is contained in the Preliminary Official Statement which has been distributed and to which prospective bidders are directed. Such Preliminary Official Statement is provided for informational purposes only and is not a part of this Notice of Sale. A copy of the Preliminary Official Statement may be obtained by contacting: Moors & Cabot, Inc. – Banking & Advisory Group, 111 Devonshire Street, Boston, MA 02109-5483; or by telephone at (617) 314-0258.

**The Preliminary Official Statement is in a form "deemed final" by the issuer for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in a final Official Statement**.

The Town agrees to advise the purchaser, by written notice, of any developments that impact the accuracy and completeness of the key representations (within the meaning of SEC Rule 15c2-12) contained in the final Official Statement, which may occur during the period commencing on the date of the acceptance by the Town of its proposal and ending on the 90th day next following such date of acceptance, unless such final Official Statement is available from the Municipal Securities Rulemaking Board, in which event such period shall end on the 25th day.

In order to assist bidders in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will undertake to provide annual reports and notices of certain material events on a timely basis. A description of this undertaking is set forth in APPENDIX C of the Preliminary Official Statement.

A pdf word-searchable electronic version of the final Official Statement will be prepared and distributed for this issue at the Town's expense within seven (7) business days after the date of the award of the Bonds. If desired, the purchaser will be furnished up to 100 copies of the final Official Statement prepared for this issue at the Town's expense within seven (7) business days after the date of the award of the Bonds. Additional copies may be obtained by the purchaser at its own expense by arrangement with the printer.

We will rely upon the purchaser to file with DTC's Web Underwriting Service (WUN); file with the MSRB pursuant to its Rule G-32; and to effect the electronic filing of the final Official Statement to ***http://emma.msrb.org/submission*** as the purchaser's responsibility. U.S. Bank National Association, as Paying Agent, will keep the original opinion and certificates and copies of the supporting documents which may be examined at its office in Boston, Massachusetts, upon reasonable notice.

As of the date of delivery of the Bonds and as a condition precedent to the delivery of the Bonds by the Town, the successful bidder shall furnish to the Town a certificate in a form provided by and acceptable to Bond Counsel (the "Issue Price Certificate"). The Issue Price Certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation. The Issue Price Certificate shall set forth:

(i) The "issue price" of the Bonds as defined in Treasury Regulation §1.148-1(f);
(ii) The weighted average maturity of the Bonds as defined in the Internal Revenue Service's "Instructions for Form 8038-G" for Line 21(d);
(iii) The yield of the Bonds (sometimes referred to as the arbitrage yield) as defined in the Internal Revenue Service's "Instructions for Form 8038-G" for Line 21(e);
(iv) That the issue price of the Bonds does not exceed the fair market value of the Bonds as of such date of sale; and
(v) If a municipal bond insurance policy or similar credit enhancement is obtained with respect to the Bonds by the successful bidder, such bidder will also be required to certify as to the net present value savings on the Bonds resulting from payment of insurance premiums or other credit enhancement fees.

**Further Discussion of Issue Price Certificate**.

**Competitive Sale Requirements Met.** If the competitive sale requirements set forth in Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) are satisfied, the Issue Price Certificate will establish the issue price of the Bonds under Treasury Regulation Section 1.148-1(f)(2)(iii). To that end, the Municipal Advisor will certify to the successful bidder that the following conditions are true:

(1) The Town has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
(2) All bidders had an equal opportunity to bid;
(3) The Town received bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
(4) The Town awarded 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 and each bidder, by submitting its bid, agrees that it shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal bonds and that is an "underwriter" that intends to reoffer the Bonds to the public.

**Competitive Sale Requirements Not Met**. If the competitive sale requirements set forth in Treasury Regulation Section 1.148-1(f)(3)(i) are not satisfied, the Town shall so advise the winning bidder. If such competitive sale requirements are not met, the Issue Price Certificate will establish the issue price of the Bonds under Treasury Regulation Section 1.148-1(f)(2)(i), as follows:

(i) The Town shall treat the first price at which 10% of a 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 (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Town if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Town will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. 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.

(ii) Until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Town and the Municipal Advisor 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 the 10% test has been satisfied as to all Bonds. The successful bidder shall be obligated to report each sale of Bonds to the Municipal Advisor until notified in writing by the Town or the Municipal Advisor that it no longer needs to do so.

Moors & Cabot, Inc. has acted as Municipal Advisor to the Town with respect to the issuance of the Bonds pursuant to Municipal Securities Rulemaking Board Rule G-23. Moors & Cabot, Inc. does not intend to submit its bid on, or participate in an underwriting syndicate for the public distribution of, the Bonds.

It is expected that the Bonds, in definitive form, will be available for delivery on or about May 15, 2018, against payment of the purchase price in Federal Reserve funds payable to the order of the "Town of New Gloucester, Maine", and will be delivered to The Depository Trust Company, New York City, New York.

Carrie Castonguay
Treasurer
Town of New Gloucester

*Sale Date:* May 1, 2018

**PROPOSED FORM OF BID LETTER**

**TOWN OF NEW GLOUCESTER, MAINE**
**$4,600,000**
**2018 GENERAL OBLIGATION BONDS**

*Sale Date:* May 1, 2018

Carrie Castonguay, Treasurer
Town of New Gloucester
c/o Moors & Cabot, Inc.
Banking & Advisory Group
111 Devonshire Street
Boston, MA 02109-5483

Dear Ms. Castonguay:

In accordance with the provisions of the Notice of Sale dated April 16, 2018, which Notice is hereby made a part of this proposal, we offer to purchase $4,600,000 2018 General Obligation Bonds of the Town of New Gloucester, Maine, at par and accrued interest, if any, to date of delivery plus a premium of $_____[(*)], which represents a TIC of_____%, and bearing interest at the following rate per annum and maturing in each of the following years and principal amounts:

| Year of Maturity | Amount | Interest Rate | Year of Maturity | Amount | Interest Rate |
|---|---|---|---|---|---|
| 2019 | $185,000 | _____% | 2029 | $185,000 | _____% |
| 2020 | 185,000 | _____% | 2030 | 185,000 | _____% |
| 2021 | 185,000 | _____% | 2031 | 185,000 | _____% |
| 2022 | 185,000 | _____% | 2032 | 185,000 | _____% |
| 2023 | 185,000 | _____% | 2033 | 185,000 | _____% |
| 2024 | 185,000 | _____% | 2034 | 185,000 | _____% |
| 2025 | 185,000 | _____% | 2035 | 185,000 | _____% |
| 2026 | 185,000 | _____% | 2036 | 185,000 | _____% |
| 2027 | 185,000 | _____% | 2037 | 185,000 | _____% |
| 2028 | 185,000 | _____% | 2038 | 185,000 | _____% |

$900,000 _____%Term Bond due May 1, 2043[(†)]

NOTE: [(†)] The Term Bonds are subject to mandatory sinking fund redemption as described herein.
[(1)] Only bids at or greater than 101.130435% of the issue amount (or ≥ $52,000.00 bid premium) will be accepted.

The undersigned hereby acknowledges receipt of the Preliminary Official Statement dated April 16, 2018, referred to in the Notice of Sale dated April 16, 2018, and the terms thereof are expressly made a part of this bid.

**SUMMARY**

Summary made as requested in the Notice of Sale **from delivery date of May 15, 2018**:

| | |
|---|---|
| Total Interest Expense | $ |
| (Less Premium) | ($ ) |
| Net Total Interest Expense | $ |
| True Interest Rate (TIC) | % |

Respectfully submitted,

_____
(Company) (DTC #)

_____
(By)

_____
(Address)

( )_____
(Telephone)

**Moors & Cabot, Inc. of Boston, Massachusetts will assist in the submitting of bids on this issue. Please mail your signed bid form in advance and telephone or send via facsimile final figures before the sale time. Telephone: (617) 314-0258; Facsimile: (617) 451-0288**.