

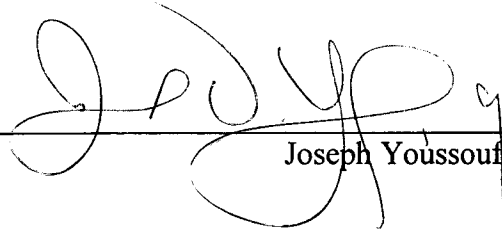
## ATTORNEY'S CERTIFICATE

I, Joseph Youssef, Esq., HEREBY CERTIFY that I am a licensed attorney-at-law of the State of New Jersey and am the duly chosen, qualified and acting attorney for Fire District No. 1 in the Borough of Englishtown, in the County of Monmouth, New Jersey (hereinafter called the "Fire District"), that I am familiar with the acts and the proceedings heretofore had or taken in or by the Fire District or by its officers relative to the authorization, sale and issuance of obligations of the Fire District described as follows:

\$75,000 Bond Anticipation Note dated October 8, 2010, maturing October 10, 2011, bearing interest at the rate of 4.00% per annum, payable at maturity and numbered 2010-1,

that no litigation of any nature is now pending or threatened restraining or enjoining the issuance or the delivery of the obligations or the levy or the collection of any taxes to pay the interest on or the principal of the obligations, or in any manner questioning the authority or the proceedings for the issuance of the obligations or for the levy or the collection of taxes, or affecting the validity of the obligations or the levy or the collection of taxes, that neither the corporate existence or boundaries of the Fire District nor the title of any of the present officers thereof to their respective offices is being contested, and that no authority or proceedings for the issuance of the obligations has or have been repealed, revoked or rescinded and that all actions or proceedings in regard to the issuance of the obligations taken by the governing body subsequent to the adoption of the Open Public Meetings Act of New Jersey have been in compliance with that Act.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 8th day of October,  
2010.



Joseph Youssef, Esq.

CERTIFICATE OF DETERMINATION AND AWARD

I, the undersigned, Treasurer of Fire District No. 1 in the Borough of Englishtown, in the County of Monmouth, New Jersey (hereinafter referred to as the "Fire District"), HEREBY CERTIFY as follows:

1. I hereby determine to issue the Bond Anticipation Note hereinafter described by virtue of the authority conferred upon me by resolution of the Fire District adopted October 7, 2010, a proposal adopted by the Board of Commissioners on January 3, 2008 and approved by the voters of the Fire District at an annual election held on February 16, 2008 such notes to be issued in the amounts indicated below.

TOTAL PRINCIPAL AMOUNT:		NUMBER	DENOMINATIONS
	\$75,000	2010-1	\$75,000
DATE:	10/8/10		
MATURITY:	10/10/11		
INTEREST RATE PER ANNUM:	4.00%		
PLACE OF PAYMENT:	Englishtown Firemen's Relief Association, New Jersey		

2. Pursuant to the authority so conferred upon me, I have awarded and sold the Note to Englishtown Firemen's Relief Association, Englishtown, New Jersey at the price of \$75,000, plus an amount equal to the interest on the Note accrued to the date of payment of the purchase price.

3. No bonds of the Fire District have heretofore been issued pursuant to the resolution referred to in Section 1 hereof.

4. The date of the first note or other obligation issued in anticipation of the issuance of the bonds that the Note is issued in anticipation of, whether or not now outstanding, is October 8, 2010.

5. No grants have been received, no paydowns have been made and no cancellations have been enacted that would reduce the debt authorization below the amount of notes outstanding under the resolutions described in Section 1 hereof.

6. No notes or other obligations in anticipation of the issuance of bonds have heretofore been issued pursuant to the resolutions referred to in Section 1.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 8th day of October,  
2010.

  
\_\_\_\_\_  
Gerald Maresca, Treasurer

CERTIFICATE OF QUALIFICATION  
PURSUANT TO SECTION 265 OF THE  
INTERNAL REVENUE CODE OF 1986, AS AMENDED

I, the undersigned Treasurer of Fire District No. 1 in the Borough of Englishtown, in the County of Monmouth, New Jersey (hereinafter referred to as the "Fire District"), HEREBY CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF as follows:

1. As of the date of this certificate, the Fire District has issued \$75,000 of bonds and notes in the calendar year 2010, including the \$75,000 Bond Anticipation Note issued this date (the "Note").

2. The Fire District has not created any authorities that have power to authorize debt to provide governmental services within the boundaries of the Fire District.

3. The Fire District does not expect to issue greater than \$30,000,000 of tax-exempt obligations in the calendar year 2010.

4. The Notes are not "private activity bonds" as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

5. The Fire District hereby designates the Note as a qualified tax-exempt obligation for purposes of the Code.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 8th day of October, 2010.

  
\_\_\_\_\_  
Gerald Maresca, Treasurer

## ARBITRAGE AND TAX CERTIFICATE

We, the undersigned Treasurer and Clerk of the Board of Fire Commissioners of Fire District No. 1 in the Borough of Englishtown, in the County of Monmouth, a fire district of the State of New Jersey and herein referred to as the "Issuer," HEREBY CERTIFY TO THE BEST OF OUR KNOWLEDGE AND BELIEF as follows:

### 1. GENERAL

1.1. The Obligations. We, with others, are charged with the responsibility of issuing \$75,000 Bond Anticipation Notes of the Board of Fire Commissioners of Fire District No. 1 in the Borough of Englishtown, in the County of Monmouth, New Jersey, dated and issued on October 8, 2010 (the "Obligations"). The Obligations mature October 10, 2011, are numbered 2010-1 and bear interest at the rate of four per centum (4.00%) per annum, payable at maturity.

1.2. Amount Deemed Received. The Issuer is deemed to have received \$75,000 from the sale of the Obligations, consisting of the par amount of the Obligations (in the amount of \$75,000). There is no original issue premium paid to the Issuer, reoffering premium retained by the underwriter, or accrued interest on the Obligations.

1.3. Authorization for the Obligations. The Obligations are being issued pursuant to (i) Title 40A, Chapter 14, Section 86 of the New Jersey Statutes, as amended and supplemented and (ii) a resolution duly adopted by the Issuer on October 7, 2010. The Obligations were originally authorized by a proposal duly adopted by the Issuer on January 3, 2008 and approved by the legal voters of the Issuer at the annual Fire District election held on February 16, 2008.

1.4. Proceeds of the Obligations. The proceeds of the Obligations will consist of:

- (a) sale proceeds; and
- (b) investment proceeds.

1.5. Regulations. References to Regulations mean the Treasury Regulations promulgated under Section 103, and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code").

1.6. Defined Terms. The following terms have the meanings ascribed to them in the Regulations (and the Code, where indicated) unless the context hereof clearly requires otherwise:

- (a) available amount, §1.148-1(b);
- (b) bona fide debt service fund, §1.148-1(b);
- (c) bond year, §1.148-1(b);
- (d) capital expenditure, §1.150-1(b);
- (e) commingled fund, §1.148-1(b);

- (f) computation date, §1.148-3(e);
- (g) fair market value, §1.148-1(b);
- (h) gross proceeds, §1.148-1(b);
- (i) guaranteed investment contract, §1.148-1(b);
- (j) investment, §1.148-1(b);
- (k) investment proceeds, §1.148-1(b);
- (l) investment property, Code §148(b)(2);
- (m) investment-type property, §1.148-1(b);
- (n) issue, §1.150-1(c);
- (o) issue price, §1.148-1(b);
- (p) multipurpose issue, §1.148-1(b);
- (q) net sale proceeds, §1.148-1(b);
- (r) nonpurpose investment, §1.148-1(b);
- (s) nonpurpose receipts, §1.148-2;
- (t) proceeds, §1.148-1(b);
- (u) rebatable arbitrage, §1.148-3;
- (v) related party, §1.150-1(b);
- (w) replacement proceeds, §1.148-1(c);
- (x) required rebate, §1.148-3;
- (y) sale proceeds, §1.148-1(b);
- (z) sinking fund, §1.148-1(c)(2);
- (aa) transferred proceeds, §1.148-1(b);
- (bb) value, §1.148-1(b);
- (cc) working capital, §1.150-1(b);
- (dd) yield, §1.148-1(b).

## 2. PURPOSE OF ISSUE.

2.1. Purposes of the Obligations. The Obligations are being issued to provide funds for the repairs and improvements to firehouse property and parking area for use by the Englishtown Volunteer Fire Company (the "Project").

2.2. Investments to be Yield Restricted. Unless expressly permitted herein, no portion of the proceeds of the Obligations will be used to finance "investment property" or "investment-type property" with a yield in excess of the yield on the Obligations.

2.3. No Overissuance. The proceeds from the Obligations do not exceed the amount which is required for the purposes described in Section 2.1 above. The Issuer reasonably expects that the universal cap, as defined in Regulations Section 1.148-6(b)(2), will not reduce the amount of gross proceeds allocable to the Obligations during the term of the Obligations.

2.4. No Reimbursement. Except for preliminary expenditure not exceeding 20% of the issue price of the Obligations, none of the proceeds of the Obligations are being used to reimburse the Issuer for an expenditure paid prior to the date hereof.

2.5. No Refunding. No portion of the proceeds of the Bonds will be used to pay debt service on any other indebtedness of the Issuer.

2.6. No Hedge Bonds. (a) Not more than fifty percent (50%) of the proceeds of the Obligations are or will be invested in nonpurpose investments having a substantially guaranteed yield for four (4) years or more within the meaning of Section 149(g)(3)(A) of the Code and at least eighty five percent (85%) of the spendable proceeds of the Obligations will be used to carry out the governmental purposes of the issue within the three-year (3) period beginning on the issue date of the Obligations.

(b) The Obligations do not constitute "hedge bonds" within the meaning of Section 149(g) of the Code.

2.7. No Replacement Proceeds. (a) Other than the proceeds of the Obligations, the Issuer has on hand no funds which (i) could legally and practically be used for the governmental purposes for which the Obligations are being issued which are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes, or (ii) would be used for the governmental purposes of the Obligations if the proceeds of the Obligations were not used or to be used for such purposes.

(b) The Issuer does not reasonably expect that (i) the term of the Obligations (which have an aggregate weighted average maturity of approximately 1.00 years) will be longer than reasonably necessary for the governmental purposes of the Obligations, or (ii) there will be available amounts during the period that the Obligations remain outstanding longer than necessary. The weighted average maturity does not exceed 120% of the expected remaining economic life of the projects.

(c) No portion of proceeds of the Obligations will be used (i) directly or indirectly to replace funds of the Issuer or any other agency, department, or division of the Issuer, that could be used for the Projects, or (ii) to replace any proceeds of any prior issuance of obligations by the Issuer or any other agency, department, or division of the Issuer.

2.8. No Private Business Use of Financed Projects. (a) Not more than ten percent (10%) of the Proceeds of the Obligations will be used, directly or indirectly, in whole or in part, in any activity carried on by any person other than a state or local governmental unit. A use of the Proceeds includes (i) ownership of the Projects financed or refinanced with the proceeds of the Obligations, (ii) actual or beneficial use of the Projects pursuant to a lease or a management, incentive payment or output contract, or (iii) any other similar arrangement, agreement or understanding, whether written or oral. The payment of the principal of or the interest on more than ten percent (10%) of the Obligations will not be, directly or indirectly: (i) secured by any interest in (A) property used or to be used in any activity carried on by any person other than a state or local governmental unit, or (B) payments in respect of such property; or (ii) derived from payments (whether or not by or to the Issuer), in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit.

For purposes of this paragraph (a), persons (other than a state or local governmental unit) using such Proceeds on the same basis as the general public shall not be taken into account.

(b) None of the proceeds of the Obligations will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(c) No proceeds of the Obligations are being used to make grants to any person.

### 3. SOURCE AND DISTRIBUTION OF FUNDS.

3.1. Proceeds of the Obligations. The proceeds derived from the sale of the Obligations, in the amount of \$75,000.00 (comprised of the par amount of the Obligations in the amount of \$75,000.00) constitute the "Proceeds" of the Obligations for purposes of this Certificate. There is no original issue premium paid to the Issuer, reoffering premium retained by the underwriter or accrued interest on the Obligations.

3.2. Application of Proceeds. The Proceeds of the Obligations will be applied as follows:

(a) Deposit to Capital Account:			
(1) Construction		\$75,000.00	
(2) Acquisition/Other		<u>0.00</u>	
Total			\$75,000.00
TOTAL			<u>\$75,000.00</u>

3.3. Temporary Period for Proceeds Applied to Capital Projects. Proceeds of the Bonds in the amount of \$75,000 will be deposited in the Capital Account of the Issuer and will be applied to pay the costs of the Project, as described in Section 2.1 above. The Issuer will use such funds only for capital expenditures in connection with the Project. Such proceeds will not be used to repay, at maturity or otherwise, any indebtedness of the Issuer. The proceeds will be used to pay all or a portion of the costs of the Project within three (3) years from the date hereof. As to such amounts, the Issuer certifies that:

(a) It reasonably expects that at least eighty-five percent (85%) of the net sale proceeds of the Bonds will be expended within three (3) years after the date hereof; and

(b) It reasonably expects to incur within six (6) months from the date of issue hereof a substantial binding obligation (not subject to contingencies within the Issuer's or a related party's control) to a third party to expend at least five percent (5%) of the net sale proceeds of the Bonds on the capital Project; and

(c) It reasonably expects the completion of the Project, and the allocation of net sale proceeds of the Bonds to expenditures, to proceed with due diligence.

The proceeds of the Bonds deposited into the Capital Account may be invested without regard to yield restriction for a three-year (3) temporary period in accordance with Regulations Section 1.148-2(e)(2). Any proceeds held beyond the end of such three (3) year period shall not be invested at a yield in excess of the yield on the Bonds.

3.3. Premium Paid to the Issuer. There is no premium paid to the Issuer.

3.4. Expenditure of Investment Proceeds. Investment Proceeds will be deposited in the current account of the Issuer and commingled with substantial tax or other revenues from governmental operations of the Issuer and such amounts are reasonably expected to be spent for governmental purposes within six (6) months from the date of such commingling. Such amounts will be treated as allocated to expenditures on the date of the deposit pursuant to Regulation Section 1.148-6(e)(6).

3.5. Temporary Period for Accrued Interest. There is no accrued interest on the Obligations.

3.6. Temporary Period for Bona Fide Debt Service Fund. Any fund used or established to make debt service payments on the Obligations will be used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year, and will be depleted at least once each bond year, except for a reasonable carry over amount not to exceed (i) the earnings on the fund in the immediately preceding bond year, or (ii) one-twelfth (1/12) of the debt service payments on the Obligations for the immediately preceding bond year. Monies deposited into such funds may be invested without regard to yield for a period not to exceed thirteen (13) months in accordance with Regulation Section 1.148-2(e)(5).

3.7. Temporary Period for Sinking Fund Proceeds. Amounts treated as proceeds of the Obligations because they are accumulated in any sinking fund for the Obligations may be invested without regard to yield restriction for a period of thirty (30) days beginning on the date of accumulation, and thereafter shall be invested at a yield not in excess of the yield on the Obligations in accordance with Regulation Section 1.148-2(e)(5).

3.8. No Other Funds or Accounts to Pay Debt Service. There are no funds or accounts which are reasonably expected to be used to pay debt service on the Obligations or which are pledged to the Obligations, and for which there is reasonable assurance that amounts on deposit therein will be available to pay debt service on the Obligations if the Issuer encounters financial difficulty.

3.9. Rebate Requirement - Obligations. The Issuer covenants that any and all investment proceeds earned on the gross proceeds (as defined in the Regulations) in excess of the yield on the Obligations will be held and set aside for rebate to the federal government if required by the Regulations. Such amount shall be calculated in the manner and paid at the times required by the Regulations.

4. TERMS OF THE OBLIGATIONS AND CALCULATION OF YIELD.

4.1. Terms of the Obligations. The dated date, maturity date, and rate of interest of the Obligations are as shown in Section 1.1 hereof. When used in this certificate, the term "yield" refers to the yield computed by the present worth method using a three hundred sixty-day (360) year and semiannual compounding, and means that discount rate which, when used in computing the present worth of all payments of principal and interest to be paid on the Obligations, produces an amount equal to the purchase price thereof.

4.2. Purchase Price of the Obligations. In reliance on a certification made by Englishtown Firemen's Relief Association, which certificate is attached hereto as Exhibit A as purchaser of the Obligations (the "Purchaser"), to the best of its knowledge, the Obligations will not be reoffered. The purchase price paid by the Purchaser is the product of arms length negotiation.

4.3. Bond Insurance. There is no bond insurance on the Obligations.

4.4. Purchase Price for Bond Yield Purposes. The purchase price for the Obligations for purposes of computing arbitrage yield is \$75,000, consisting of the par amount of the Obligations (in the amount of \$75,000). There is no original issue premium paid to the Issuer, reoffering premium retained by the underwriter or accrued interest on the Obligations.

4.5. Bond Yield. The yield on the Obligations, as computed in accordance with the method described in Section 4.1 above, using as a purchase price the price which is specified in Section 4.4 above, is 3.9995%.

5. REBATE.

5.1. Calculation of Investment Income. The Issuer has provided for the calculation of its investment income from the investment of the proceeds of the Obligations.

5.2. Selection of Bond Year. The Issuer hereby selects as the last day of its first bond year the one-year period (or shorter period from the date of issue of the Obligations) that ends at the close of business on October 10, 2011.

5.3. Rebate Covenant; Construction Exception; Small Issuer Exception.

(a) Rebate Covenant. The Issuer has agreed, to the extent required by Section 148(f) of the Code, to calculate and pay or cause to be calculated and paid to the United States Treasury, in the manner and at the times prescribed in the Regulations, an amount equal to the sum of (a) the excess of (i) the future value of all "nonpurpose receipts" in which the gross proceeds of the Obligations are invested over (ii) the future value of all "nonpurpose payments" with respect to the Obligations, plus, (b) any income attributable to the excess described in (a) above. The first required computation date of rebatable arbitrage in respect of the Obligations is the maturity date of the Obligations.

(b) Construction Exception. At least seventy-five percent (75%) of the Available Construction Proceeds (as defined below) of the Bonds are to be used for construction expenditures with respect to property which is owned, or to be owned, by a state or local government unit or a 501(c)(3) organization and which are not private activity bonds. The Bonds are a “construction issue” within the meaning of Regulations Section 1.148-7.

(1) The rebate requirement shall not include earnings with respect to Gross Proceeds of the Bonds during the two (2) year period beginning on the date of issuance of the Bonds if:

(i) Ten percent (10%) or more of the Available Construction Proceeds of the Construction Issue (as defined below) are expended for the governmental purposes of the issue before a date which is six (6) months after the date of issue of the Bonds;

(ii) Forty-five percent (45%) or more of such proceeds are expended for the governmental purposes of the issue before a date which is one year after the date of issue of the Bonds;

(iii) Seventy-five percent (75%) or more of such proceeds are expended for the governmental purposes of the issue before a date which is eighteen (18) months after the date of issue of the Bonds; and

(iv) One hundred percent (100%) of such proceeds are expended for the governmental purposes of the issue before a date which is two (2) years after the date of issue of the Bonds. For this purpose, one hundred percent (100%) of the Available Construction Proceeds of the Construction Issue shall be treated as spent for the governmental purposes of the issue within the two (2) year period beginning on the date the Bonds are issued if one hundred percent (100%) of such proceeds are expended before a date which is two (2) years after the date of issue of the Bonds, except for a reasonable retainage (not exceeding five percent (5%) of such proceeds), and one hundred percent (100%) of such proceeds are expended within the three (3) year period beginning on the date the Bonds were issued.

(2) If the spending requirements set forth in paragraph (1) above are not met, the Issuer hereby affirms that it does not elect to pay a penalty at the close of each six (6) month period (in accordance with Section 148(f)(4)(C)(vii)) described in paragraph (1) above equal to one and one-half percent (1 ½%) of the Available Construction Proceeds of the Construction Issue, which, as of the close of such period, is not spent as set forth therein.

(3) Definitions.

(i) Construction Issue means any issue if at least seventy-five percent (75%) of the Available Construction Proceeds (as defined below), of such issue are to be used for construction expenditures, including reconstruction and rehabilitation, with respect to property which is to be owned by a governmental unit or a 501(c)(3) organization, and all of the bonds which are part of such issue are qualified 501(c)(3) bonds, bonds which are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or 501(c)(3) organization.

(ii) Available Construction Proceeds shall mean the issue price of the construction issue, increased by earnings on such issue price, earnings on amounts in any reasonably required reserve or replacement fund not funded from such issue (unless elected otherwise), and earnings on all of the foregoing earnings, and reduced by the amount of such issue price in any reasonably required reserve or replacement fund and the issuance costs financed by such issue. Such term shall not include amounts earned on any reasonably required reserve or replacement fund after the earlier of the close of the two (2) year period described in Section 148(f)(4)(C)(ii) of the Code or the date the construction is substantially completed, and shall also not include payments on any obligation acquired to carry out the governmental purposes of the Bonds and earnings on such payments.

(d) Small Issuer Exception. The Issuer (and all entities within the controlled group of the Issuer) has issued \$75,000 tax-exempt bonds and notes in the calendar year 2010, including the Obligations. All of this amount will count towards the small issuer limitation for purposes of Section 148(f)(4)(D) of the Code. The Issuer is a fire district of the State of New Jersey and a governmental unit with general taxing powers. The Obligations do not constitute private activity bonds. At least ninety-five percent (95%) of the proceeds of the Obligations will be used for local governmental activities of the Issuer (or of a governmental unit located within the jurisdiction of the Issuer). The Issuer (and all entities within the controlled group of the Issuer) does not expect to issue greater than \$5,000,000 tax-exempt bonds or notes in the calendar year 2010 which will count towards the small issuer limitation.

5.4. Retention of Records. The Issuer agrees to keep and retain until six (6) years after the retirement of all of the Obligations, adequate records with respect to the investment of (i) all proceeds of the Obligations received upon the sale thereof, the earnings thereon and all reinvestments thereof, (ii) amounts to be used, or pledged, to pay, directly or indirectly, debt service on the Obligations, (iii) any other gross proceeds, and (iv) amounts in any rebate fund. Such records shall include: (i) purchase price; (ii) purchase date; (iii) type of investment; (iv) accrued interest paid; (v) interest rate (if applicable); (vi) principal amount; (vii) maturity date; (viii) interest payment date (if applicable); (ix) date of liquidation; and (x) receipts upon liquidation. If any investment becomes gross proceeds of the Obligations or is otherwise pledged to pay debt service on the Obligations on a date other than the date such investment is

purchased, the Issuer's records shall include the market value of such investment on the date it is pledged to pay debt service on the Obligations or otherwise becomes gross proceeds. If any investment is retained after the date the last Bond is retired, the Issuer's records shall include the market value of such investment on the date the last Bond is retired. Amounts will be segregated wherever held in order to permit the Issuer to maintain these records.

5.5. Continuous Investment of Funds. Except as provided in the next sentence, all amounts that constitute gross proceeds of the Obligations and all amounts in any rebate fund shall be invested at all times to the extent practicable, and no amounts may be held as cash or be invested in zero (0) yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested due to the denomination, price or availability of investments, the Issuer may invest all such amounts in a deposit account of a bank with a yield not less than that paid to the general public or hold such moneys uninvested to the extent necessary.

5.6. Certificate of Deposit and Investment Contract Terms. The Issuer shall invest or direct the investment of gross proceeds and any amounts in any rebate fund in accordance with the following provisions:

(a) An investment in a certificate of deposit of a bank or savings and loan association that has a fixed interest rate, a fixed principal payment schedule and a substantial penalty for early withdrawal shall be made only if the yield on the certificate of deposit is not less than (i) the yield on reasonably comparable direct obligations of the United States and (ii) the highest yield that is published or posted by the provider to be currently available from the provider on comparable certificates of deposit offered to the public.

(b) An investment in a guaranteed investment contract and any investments purchased for a yield restricted defeasance escrow shall meet the following requirements:

(1) The Issuer must make a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements: (i) The bid specifications are in writing and are timely forwarded to potential providers; (ii) The bid specifications include all material terms of the bid (a term is material if it may directly or indirectly affect the yield or the cost of the investment); (iii) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the issuer or any other person (whether or not in connection with the bond issue), and that the bid is not being submitted solely as a courtesy to the Issuer or any other person for purposes of satisfying the requirements of these rules; (iv) The terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment - for example, for solicitations of

investments for a yield restricted defeasance escrow, the hold firm period must be no longer than the issuer reasonably requires); (v) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested; (vi) All potential providers have an equal opportunity to bid (for example, no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid); and (vii) At least three (3) reasonably competitive providers are solicited for bids (a reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased).

(2) The bids received by the Issuer meet all of the following requirements:

(i) The Issuer receives at least three (3) bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (1) above and that do not have a material financial interest in the issue); (ii) At least one (1) of the three (3) bids described in paragraph (2)(i) above is from a reasonably competitive provider; and (iii) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(3) The winning bid must meet the following requirements: (i) Guaranteed investment contracts - if the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees); and (ii) Other investments - if the investment is not a guaranteed investment contract, the following requirements are met; (A) The winning bid is the lowest cost bona fide bid (including any broker's fees); (B) The lowest cost bona fide bid (including any broker's fees) is not greater than the cost of the most efficient portfolio comprised exclusively of State and Local Government Series Securities from the United States Department of the Treasury, Bureau of Public Debt; (C) If State and Local Government Series Securities from the United States Department of the Treasury, Bureau of Public Debt are not available for purchase on the day that bids are required to be submitted pursuant to terms of the bid specifications because sales of those securities have been suspended, the cost comparison of paragraph (B) is not required.

(4) The provider of the investments or the obligor on the guaranteed investment contract must certify the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(5) The Issuer retains the following records with the Bond documents until three years after the last outstanding Bond is redeemed: (i) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation; (ii) The receipt or other record of the amount actually paid by the issuer for the investments, including a record of any administrative costs paid by the issuer, and the certification under paragraph (4) above; (iii) For each bid that

is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; (iv) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation; and (v) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

(c) Moneys to be rebated to the United States shall be invested in investments maturing on or prior to the anticipated rebate date. All investments of gross proceeds and amounts in any rebate fund shall be bought and sold at market prices, and no transaction shall be entered into that reduces the amount to be rebated to the United States because such transaction results in a smaller profit or larger loss than would have resulted if the transaction had been at arm's length and had the rebate requirement not been relevant to either party.

## 6. MISCELLANEOUS.

6.1. Single Issue. There are no other issues of governmental obligations of the Issuer: (a) sold within fifteen (15) days of the date of the sale of the Obligations; (b) sold pursuant to a common plan of financing with the Obligations; and (c) to be paid out of substantially the same source of funds, determined without regard to guarantees from unrelated parties.

6.2. No Federal Guarantee. Except for the investments of the type described in the last sentence of this Section 6.2, no portion of the payment of principal or interest on the Obligations or any credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof). No portion of the Obligations has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or invested (directly or indirectly) in federally insured deposits or accounts. The foregoing provisions shall not apply to (a) proceeds of the Obligations invested for an initial temporary period, as described in Section 148(c) of the Code, until such proceeds are needed for the purpose for which said obligations were issued, (b) investments in a bona fide debt service fund, as described in Regulation Section 1.148-1(b), (c) investments in a reserve fund that meets the requirements of Section 148(d) of the Code, (d) investments in obligations issued by the United States Treasury, or (e) any other investments permitted under regulations issued by the Internal Revenue Service.

6.3. No Transactions to Reduce Investment Yield. The Issuer has not entered into and will not enter into any transaction to reduce the yield on the investment of the proceeds of the Obligations in such a manner that the amount to be rebated to the Federal government is less than it would have been had the transaction been at arm's length and had the yield on the issue not been relevant to either party.

6.4. Expectations are Reasonable. The statements as to the expectations of the Issuer made herein are reasonable as of the date of this certificate, and there are no facts, estimates or circumstances that would materially change the expectations expressed in this certificate.

6.5. No Notification of Listing by the IRS. The Issuer has not been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose Arbitrage and Tax Certificate may not be relied upon.

6.6. Information Reporting. The Issuer has reviewed the Internal Revenue Service Form 8038-GC to be filed in connection with the issuance of the Obligations, a copy of which is attached hereto as Exhibit B, and all of the information contained therein is, to the best of the Issuer's knowledge, true and complete.

6.7. No Expected Disposition of Facilities. No portion of the facilities or other property financed by the Obligations is expected to be sold or otherwise disposed of prior to the last maturity of the Obligations.

6.8. Alteration of Restrictions and Covenants. The yield restrictions and any other restriction or covenant contained herein may be altered or ignored if the Issuer receives an opinion of Bond Counsel or any other nationally recognized bond counsel to the effect that such alteration or nonobservance will not adversely affect the tax exemption of interest on the Obligations to which it is otherwise entitled.


6.9. Changes in Facts or Expectations. The Issuer acknowledges that any changes in facts or expectations from those set forth herein may result in different yield restrictions or rebate requirements from those set forth herein and that Bond Counsel or other nationally recognized bond counsel should be contacted if such changes do occur.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, we have hereunto set our hands this 8th day of October,  
2010.

THE BOARD OF FIRE  
COMMISSIONERS OF FIRE DISTRICT  
NO. 1 IN BOROUGH OF  
ENGLISHTOWN, IN THE COUNTY OF  
MONMOUTH, NEW JERSEY

  
\_\_\_\_\_  
Gerald Maresca  
Treasurer

  
\_\_\_\_\_  
Thomas Kirkland  
Clerk

CERTIFICATE AS TO SIGNATURES, LITIGATION,  
DELIVERY AND PAYMENT

We, the undersigned officers of Fire District No. 1 of the Borough of Englishtown, in the County of Monmouth, a fire district and political subdivision of the State of New Jersey, and herein referred to as the "Fire District" HEREBY CERTIFY that on October 8, 2010 we officially signed and properly executed the obligations of the Fire District described as follows:

\$75,000 Bond Anticipation Note dated October 8, 2010, maturing October 10, 2011 bearing interest at the rate of 4.00% per annum, payable at maturity and numbered 2010-1,

and that at the time of such signing and execution and on the date hereof we were and are the duly chosen, qualified and acting officers of the Fire District authorized to execute the obligations and holding the respective offices indicated by the official titles set opposite our signatures hereto. Each of us whose facsimile signature was used in the execution of the obligations did, and hereby does, adopt such signature.

WE FURTHER CERTIFY that no litigation of any nature is now pending or threatened restraining or enjoining the issuance or the delivery of the obligations or the levy or the collection of any taxes to pay the interest on or the principal of the obligations, or in any manner questioning the authority or the proceedings for the issuance of the obligations or for the levy or the collection of taxes, or affecting the validity of the obligations or the levy or the collection of taxes, or contesting the corporate existence or boundaries of the Fire District or the title of any of the present officers thereof to their respective offices; and that no authority or proceedings for the issuance of the obligations has or have been repealed, revoked or rescinded and that all actions or proceedings in regard to the issuance of the notes taken by the governing body subsequent to the adoption of the Open Public Meetings Act of New Jersey have been in compliance with that Act.

WE FURTHER CERTIFY that the seal that is impressed upon this certificate has been affixed upon each of the obligations and is the legally adopted, proper and only official corporate seal of the Fire District.

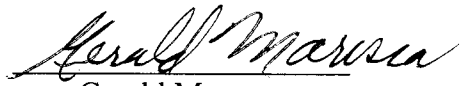
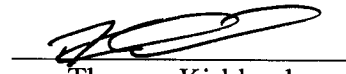
WE FURTHER CERTIFY that attached hereto is a true copy of the form of the obligations.

AND I, the undersigned Clerk of the Fire District, HEREBY FURTHER CERTIFY that on October 8, 2010, I delivered the obligations to Englishtown Firemen's Relief Association, Englishtown, New Jersey (herein referred to as the "Purchaser"), and that at the time of such delivery I received from the Purchaser full payment for the obligations in accordance with the contract of sale, computed as follows:

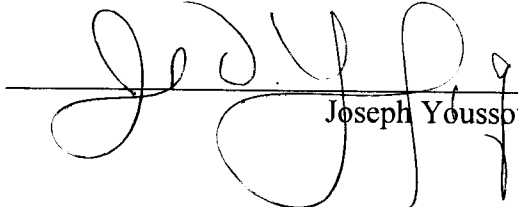
Contract Price	\$75,000
Interest accrued to the date of such delivery	0.00
Total amount received	<u>\$75,000</u>

IN WITNESS WHEREOF, we have hereunto set our hands and the corporate seal has hereunto been affixed as of this 8th day of October, 2010.

(SEAL)

<u>Signature</u>	<u>Official Title</u>	<u>Term of Office Expires</u>
 Gerald Maresca	Treasurer	<u>3-1-2011</u>
 Thomas Kirkland	Clerk	<u>3-1-2012</u>

I HEREBY CERTIFY that the signatures of the officers of the above-named Fire District that appear above are true and genuine and that I know the officers and know them to hold the respective offices set opposite their several signatures.

  
Joseph Youssef, Esq.

2010-1

\$75,000

United States of America  
State of New Jersey  
County of Monmouth  
THE BOARD OF COMMISSIONERS OF FIRE DISTRICT NO. 1  
IN THE BOROUGH OF ENGLISHTOWN

Bond Anticipation Note  
\*\*\*\*\*

THE BOARD OF COMMISSIONERS OF FIRE DISTRICT NO. 1 IN THE BOROUGH OF ENGLISHTOWN, in the County of Monmouth, New Jersey, for value received promises to pay to the bearer of this Note, or if it be registered to the registered holder, in lawful money of the United States of America, the sum of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000), together with interest thereon from the date hereof at the rate of four per centum (4.00%) per annum, on October 10, 2011 upon presentation and surrender of this Note at the principal office of the Treasurer of the Fire District, Englishtown, New Jersey.

This Note is transferable by delivery, except if registered otherwise than to bearer. At the request of the holder, this Note will be registered in the bearer's name on the books of the Fire District kept for that purpose in the office of its Treasurer, such registration to be noted on the back of this Note, and thereafter until registered and so noted, no transfer of this Note shall be valid unless made on the books and similarly noted hereon.

**SPECIMEN**

This Note is issued pursuant to the laws governing fire districts of the State of New Jersey and by virtue of a resolution of the Fire District adopted October 7, 2010, a proposal adopted by the Board of Commissioners on January 3, 2008 and approved by the voters of the Fire District at an annual election held on February 16, 2008. This Note is a Bond Anticipation Note and is issued in anticipation of the issuance of bonds.


The full faith and credit of the Fire District are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this Note according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this Note, exist, have happened and have been performed and that the amount and terms of this Note do not exceed any limitation imposed thereon by such constitution or statutes.

IN WITNESS WHEREOF, the Board of Fire Commissioners of Fire District No. 1 in the Borough of Englishtown, in the County of Monmouth, New Jersey has caused this Note to be signed by its Treasurer, its corporate seal to be hereunto affixed, this Note and the seal to be attested by its Fire District Clerk and this Note to be dated October 8, 2010.

\_\_\_\_\_  
Treasurer

[SEAL]  
ATTEST:

  
\_\_\_\_\_  
Clerk

REGISTRATION CERTIFICATE

It is hereby certified that the within Bond Anticipation Note is registered as to principal and interest as follows:

Date of Registry	Name/Address and SSN or Federal I.D. # of Registered Holder	Registered By
	<b>SPECIMEN</b>	

