

RESOLUTION #96-11  
TOWNSHIP OF BIRCH RUN

At a Special meeting of the Township Board of the Township of Birch Run (the "Township"), held at the Township Hall in Birch Run, Michigan, on October 22, 1996 at 7:00 p.m., Eastern Daylight Savings Time the following members of the Board were

PRESENT: Edward Magnus, Sheila DiBerardino, Nancy Henige, Larry Russell, Joanne Strahm, David Stewart.

ABSENT: Gary St.Charles

AWARD RESOLUTION

The Supervisor announced that this meeting was scheduled to confirm the appointment of First of America Bank-Southeast Michigan, N.A., Birmingham, Michigan as bond registrar, paying agent, transfer agent and authenticating agent and to award the purchase of the \$550,000 aggregate principal amount, Birch Run Township General Obligation Unlimited Tax Library Bonds, Series 1996, dated October 1, 1996 (the "Bonds"), which were offered for sale at a price of not less than 98% of the face amount thereof, as advertised in the Detroit Legal News. The Supervisor next reported that the proposals summarized in EXHIBIT A appended hereto had been received at or prior 11:00 a.m., Eastern Daylight Savings Time, on October 22, 1996, at the office of the Township Supervisor, 8411 Main St., Birch Run, Michigan 48415 or at the Municipal Advisory Council of Michigan, 1445 First National Building, Detroit, Michigan 48226.

The following resolution was offered by Board member Larry Russell and seconded by Board member Joanne Strahm.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP BOARD OF TOWNSHIP OF BIRCH RUN as follows:

1. The actions of the officials of this Township Board in fixing this date as the date of sale of the Bonds, dating the Bonds October 1, 1996, and in causing notice of such sale to be published as heretofore provided, are hereby ratified and confirmed.

2. The content of the aforementioned Notice of Sale (a copy of which is attached hereto) and the content of the Nearly Final Official Statement, dated October 9, 1996 and distributed in connection with the solicitation of bids for the purchase of

the Bonds, are each hereby ratified and confirmed and the Final Official Statement to be delivered with the Bonds shall be completed and delivered.

3. The proposal of **Montrose State Bank**, to purchase the \$550,000 aggregate principal amount of the Bonds in the maturities set forth in *EXHIBIT A* at par, plus accrued interest to date of delivery, and bearing interest per annum as shown on *EXHIBIT A* with a net interest cost of \$131,551.46 and a net interest rate of 4.9533% which bid produces the lowest net interest cost to the Township, is hereby accepted and all other proposals are hereby rejected and the good faith checks of the unsuccessful bidders are hereby ordered to be returned.

4. The Township Board shall issue the Bonds and hereby confirms the appointment of First of America Bank-Southeast Michigan, N.A., Birmingham, Michigan as bond registrar, paying agent, transfer agent and authenticating agent for the Bonds in accordance with the terms set forth in the Bond Resolution previously adopted by the Township Board of Commissioners of the Township.

5. The Bonds shall be issued in accordance with the terms set forth in the Bond Resolution previously adopted by the Township Board of the Township.

6. All prior resolutions of the Township Board are rescinded insofar as, and to the extent that, they may be in conflict with this Award Resolution.


A vote on the foregoing resolution was taken and was as follows:

YES: Macnus, DiBerardino, Henige, Russell, Strahm, Stewart

NO: None


ABSTAIN: None

The Resolution was declared adopted.

  
clerk  
Sheila DiBerardino

**CERTIFICATION**

The undersigned, being the duly qualified and acting Clerk of the Township of Birch Run, County of Saginaw, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution duly adopted by the Township at a Special meeting held on the 22nd day of October, 1996, at which meeting a quorum was present and remained throughout; (2) the original thereof is on file in the records of the proceedings of the Township Board of the Township in my office; (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan 1976, as amended); and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

  
\_\_\_\_\_  
Township Clerk

bmp.AR-UT



**\$550,000**  
**TOWNSHIP OF BIRCH RUN**  
**GENERAL OBLIGATION UNLIMITED TAX**  
**LIBRARY BONDS, SERIES 1996**

<b>Sale Date:</b>	October 22, 1996	<b>Good Faith Check:</b>	\$11,000
<b>Time:</b>	11:00 a.m., EDST	<b>Maximum Interest:</b>	9%
<b>Dated:</b>	October 1, 1996	<b>Discount:</b>	2%

**Maturities - Due June 1**

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
1997	\$55,000	2002	\$65,000
1998	55,000	2003	65,000
1999	55,000	2004	70,000
2000	55,000	2005	70,000
2001	60,000		

**Bidder: Montrose State Bank**

1997	3.95%	2002	4.90%	
1998	4.35%	2003	5.05%	
1999	4.50%	2004	5.15%	Net Int Cost: \$131,551.46
2000	4.60%	2005	5.20%	Net Int Rate: 4.9533%
2001	4.75%			

**Bidder: Independent Bank**

1997	4.35%	2002	5.00%	
1998	4.45%	2003	5.10%	
1999	4.55%	2004	5.15%	Net Int Cost: \$132,513.33
2000	4.65%	2005	5.20%	Net Int Rate: 4.9895%
2001	4.75%			

**Bidder: Bernardi Securities, Inc.**

1997	4.30%	2002	4.85%	
1998	4.40%	2003	4.85%	Discount: \$ 7,593.15
1999	4.50%	2004	5.00%	Net Int Cost: \$136,501.28
2000	4.65%	2005	5.00%	Net Int Rate: 5.1396%
2001	4.80%			

**Bond Counsel**  
**JOHN R. AXE AND ASSOCIATES, Grosse Pointe Farms, Michigan**

**\$550,000**  
**TOWNSHIP OF BIRCH RUN**  
**GENERAL OBLIGATION UNLIMITED TAX**  
**LIBRARY BONDS, SERIES 1996**

---

Bidder: Michigan National Bank

1997	4.25%	2002	4.90%		
1998	4.50%	2003	5.00%	Discount:	\$ 6,600.00
1999	4.60%	2004	5.10%	Net Int Cost:	\$138,375.63
2000	4.70%	2005	5.20%	Net Int Rate:	5.2102%
2001	4.80%				

---

Bidder: Comerica Securities

1997	4.00%	2002	5.00%		
1998	4.20%	2003	5.10%	Discount:	\$ 6,325.00
1999	4.40%	2004	5.20%	Net Int Cost:	\$139,200.42
2000	4.60%	2005	5.30%	Net Int Rate:	5.241308%
2001	4.80%				

---

Bidder: First of America Securities, Inc.

1997	4.25%	2002	5.20%		
1998	4.50%	2003	5.30%	Discount:	\$ 9,900.00
1999	4.75%	2004	5.40%	Net Int Cost:	\$149,072.50
2000	5.00%	2005	5.50%	Net Int Rate:	5.613022%
2001	5.10%				

---

**Bond Counsel**  
**JOHN R. AXE AND ASSOCIATES, Grosse Pointe Farms, Michigan**



200 WEST STATE STREET • MONTROSE, MICHIGAN 48457  
9040 WEST MT. MORRIS ROAD • FLUSHING, MICHIGAN 48433  
10811 ALBEE ROAD • BURT, MICHIGAN 48417

TELEPHONE (810) 639-8101

STATE BANK

TOWNSHIP OF BIRCH RUN  
COUNTY OF SAGINAW, MICHIGAN  
GENERAL OBLIGATION UNLIMITED TAX LIBRARY BONDS, SERIES 1996

OCTOBER 21, 1996

MR. EDWARD MAGNUS SUPERVISOR  
TOWNSHIP OF BIRCH RUN  
8411 MAIN ST.  
BIRCH RUN, MI. 48415

DEAR MR. MAGNUS:

WITH RESPECT TO THE OFFICIAL NOTICE OF SALE (THE "NOTICE")  
FOR THE ABOVE DESCRIBED BONDS (THE "BONDS"), PLEASE BE  
ADVISED AS FOLLOWS:

1. AS DESCRIBED IN THE NOTICE, WE WILL PAY YOU PAR, PLUS  
ACCRUED INTEREST FROM DATE OF ISSUE TO DATE OF DELIVERY TO  
US, LESS A DISCOUNT OF \$0.00, OR PLUS A PREMIUM OF \$0.00 FOR  
THE BONDS MATURING AS FOLLOWS:

JUNE 1, 1997	3.95%	JUNE 1, 2002	4.90%
JUNE 1, 1998	4.35%	JUNE 1, 2003	5.05%
JUNE 1, 1999	4.50%	JUNE 1, 2004	5.15%
JUNE 1, 2000	4.60%	JUNE 1, 2005	5.20%
JUNE 1, 2001	4.75%		

2. THIS BID IS FOR ALL OF THE BONDS

3. THIS BID IS SUBJECT TO THE UNQUALIFIED OPINION OF JOHN  
R. AXER AND ASSOCIATES AS TO THE LEGALITY OF THE BONDS. IF  
THIS BID IS ACCEPTED A CASHIERS CHECK #134799, DRAWN ON THE  
MONTROSE STATE BANK IN THE AMOUNT OF \$11,000 WHICH IS  
SUBMITTED UNDER THE TERMS SET FORTH IN THE NOTICE.

YOURS TRULY

*John C. Wendling*  
JOHN C. WENDLING, PRES/CEO

SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THE NOTICE,  
THE FOREGOING BID IS HEREBY ACCEPTED BY THE TOWNSHIP OF  
BIRCH RUN THIS 22ND DAY OF OCTOBER 1996.

EDWARD MAGNUS, SUPERVISOR  
BIRCH RUN TOWNSHIP  
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

THE FOLLOWING IS A COMPUTATION OF THE INTEREST COST ON THE ABOVE BID. THIS COMPUTATION IS NOT TO BE CONSIDERD AS A PART OF THE BOND AND IS SUBJECT TO VERIFICATION

GROSS INTEREST COST	+133,729.17	
PREMIUM/DISCOUNT	.00	
NET INTEREST COST	<del>+133,729.17</del>	131,551.46

EFFECTIVE INTEREST RATE 4.95%  
4.9533

RETURN OF THE DEPOSIT CHECK IS HEREBY ACKNOWLEDGED ON THIS 22ND DAY OF OCTOBER 1996

BY: \_\_\_\_\_



October 22, 1996

Municipal Advisory Council  
 1445 First National Building  
 Detroit, Michigan 48226

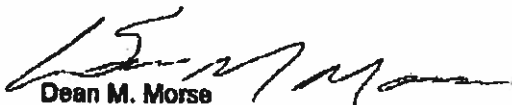
Reference is made to the "Official Notice of Sale" of \$550,000 Birch Run Township General Obligation Unlimited Tax Library Bonds Series 1996 ("Bonds").

For the legally issued bonds as described in the notice, Independent Bank East Michigan will pay you par plus accrued interest from date of issue to date of delivery for bonds maturing and bearing interest as follows:

Par	Coupon	Maturity
55,000	4.350	6/1/97
55,000	4.450	6/1/98
55,000	4.550	6/1/99
55,000	4.650	6/1/00
60,000	4.750	6/1/01
65,000	5.000	6/1/02
65,000	5.100	6/1/03
70,000	5.150	6/1/04
70,000	5.200	6/1/05
<b>550,000</b>		

Enclosed is a cashiers check in the amount of \$11,000 representing our guarantee of good faith as described by the Official Notice of Sale.

Respectfully,

  
 Dean M. Morse  
 Vice President

**NOT PART OF THIS BID:**  
 According to our computation, this bid involves the following:

Net Interest Cost:	<del>132,519.18</del>	137,513.33
Net Interest Rate:	4.990%	4.9815

**CORPORATE OFFICES**  
 230 West Main Street • P.O. Box 491  
 Ionia, Michigan 48846 • 818/527-9450

**LOAN SERVICING**  
 230 West Main Street • P.O. Box 158  
 Ionia, Michigan 48846 • 818/527-5820

**DEPOSIT AND DATA SERVICES**  
 600 Covered Village Mall • P.O. Box 278  
 Belding, Michigan 48809 • 616/784-2890



OPTIONAL BID FORM

TOWNSHIP OF BIRCH RUN  
COUNTY OF SAGINAW, MICHIGAN  
GENERAL OBLIGATION UNLIMITED TAX LIBRARY BONDS, SERIES 1996

Mr. Edward Magnus  
Supervisor  
Township of Birch Run  
2411 Main St.  
Birch Run, MI 48415

October 22, 1996

Dear Mr. Magnus:

With respect to the Official Notice of Sale (the "Notice") for the above-described bonds (the "Bonds"), please be advised as follows:

1. As described in the Notice, we will pay you par, plus accrued interest from date of issue to date of delivery to us, less a discount of \$ 7,593.15 or plus a premium of \$ \_\_\_\_\_, for the Bonds maturing as follows:

June 1, 1997	<u>4.30</u>	%	June 1, 2002	<u>4.85</u>	%
June 1, 1998	<u>4.40</u>	%	June 1, 2003	<u>4.85</u>	%
June 1, 1999	<u>4.50</u>	%	June 1, 2004	<u>5.00</u>	%
June 1, 2000	<u>4.65</u>	%	June 1, 2005	<u>5.00</u>	%
June 1, 2001	<u>4.80</u>	%			

(Note: The interest rate borne by bonds maturing in any year shall not be at a rate lower than the rate borne by bonds maturing in any preceding year)

2. This bid is for all of the Bonds.

3. This bid is subject to the unqualified opinion of John R. Axe and Associates as to the legality of the Bonds. If this bid is accepted a (Cashier's) or (Certified) Check No. \_\_\_\_\_, drawn on the \_\_\_\_\_ in the amount of \$11,000, which is submitted under the terms set forth in the Notice.

(List other account member, if any)

Respectfully submitted,

BERNARDI SECURITIES INC.

Signature: Don Lambert

Authorized Representative

Name (Print): Don Lambert

ACCEPTANCE CLAUSE

Subject to the terms and conditions set forth in the Notice, the foregoing bid is hereby accepted by the Township of Birch Run this 22nd day of October, 1996.

TOWNSHIP OF BIRCH RUN

By: \_\_\_\_\_

Edward Magnus, Supervisor

The following is a computation of the interest cost on the above bid. This computation is not to be considered as a part of the bid and is subject to verification.

Gross Interest Cost      \$ 128,908.13  
 (-) Premium(+)Discount    \$ 7,593.15  
 Net Interest Cost          \$ 136,501.28  
 Effective Interest Rate    5.1396 %

Return of the deposit check is hereby acknowledged on this 22nd day of October, 1996.

By: \_\_\_\_\_



October 22, 1996

Township of Birch Run  
Municipal Advisory Council of Michigan  
1445 First National Building  
Detroit, Michigan 48226

Municipal Underwriting and Trading (10-6)  
27777 Inkster Road  
P.O. Box 9065  
Farmington Hills, Michigan 48333-9065  
810-473-2638

Reference is made to your "Official Notice of Sale:"

General Obligation Unlimited Tax Library Bonds, Series 1996  
Saginaw County, Michigan  
(Entity)

\$550,000  
(Amount)

For your legally issued bonds, as described in said notice whose terms and conditions are incorporated herein by reference, we will pay you par and accrued interest (interest will be calculated on the basis of a 360 day year - 30 day month) from date of issue to date of delivery to us, less a discount of \$6,600.00 for bonds maturing and bearing interest as follows:

Year	Rate	Year	Rate
1997	4.25	2002	4.90
1998	4.50	2003	5.00
1999	4.60	2004	5.10
2000	4.70	2005	5.20
2001	4.80		

Net interest cost, subject to verification:

Gross Interest Cost:	\$131,775.63
Plus a Discount:	\$ 6,600.00
Net Interest Cost:	\$138,375.63
Effective Interest Rate:	5.2102%

Respectfully submitted,

*Kimberly M. Pence*

Kimberly M. Pence  
Assistant Vice President



October 22, 1996

13th Floor, MC 3089  
100 Renaissance Center  
Detroit, Michigan 48243

Edward Magnus, Supervisor  
8411 Main Street  
Birch Run, Michigan 48415

Dear Mr. Magnus,

Reference is made to your "Official Notice of Sale" of \$550,000 Township of Birch Run, Saginaw County, Michigan General Obligation Unlimited Tax Library Bonds, Series 1996.

For your legally issued bonds as described in the notice, we will pay you par plus accrued interest from date of issue to date of delivery to us, minus a cash discount of \$ 6,325.00 for bonds maturing and bearing interest as follows:

June 1, 1997 <u>4.00</u> %	June 1, 2002 <u>5.00</u> %
June 1, 1998 <u>4.20</u> %	June 1, 2003 <u>5.10</u> %
June 1, 1999 <u>4.40</u> %	June 1, 2004 <u>4.20</u> %
June 1, 2000 <u>4.60</u> %	June 1, 2005 <u>5.30</u> %
June 1, 2001 <u>4.40</u> %	

This bid is for all or none of the bonds.

Attached hereto is a cashier's check in the amount of \$11,000.00 representing our Good Faith Deposit which is submitted under the terms set forth in the "Official Notice of Sale."

Respectfully submitted,  
Comerica Securities

Michael J. Witek  
Managing Director

The following is a computation of the interest cost on the above bid. It is not to be considered as a part of the bid and is subject to verification.

Gross Interest Cost	\$	<u>132,875.42</u>
Discount	\$	<u>6,325.00</u>
Net Interest Cost	\$	<u>126,550.42</u>
Effective Interest Rate		<u>5.241308</u> %

# ***First of America Securities, Inc.***

157 S. Kalamazoo Mall, Kalamazoo, MI 49003, 616/376-8353, Fax: 616/376-2908



Reference is made to your "Official Notice of Sale" of TOWNSHIP OF BIRCH RUN, MICHIGAN  
UTGO LIBRARY BONDS, SERIES 1996  
Which was published in the DETROIT LEGAL NEWS 10/8/96

For all or none of your legally issued bonds, as described in said notice, we will pay you par and accrued interest from the date of issue to date of delivery to us

Plus a cash Premium/less a cash Discount of \$ 9,900.00

For bonds maturing and bearing interest as follows:

_____ to <u>1997</u> at <u>4.25</u> %	_____ to _____ at _____ %
_____ to <u>1998</u> at <u>4.50</u> %	_____ to _____ at _____ %
_____ to <u>1999</u> at <u>4.75</u> %	_____ to _____ at _____ %
_____ to <u>2000</u> at <u>5.00</u> %	_____ to _____ at _____ %
_____ to <u>2001</u> at <u>5.10</u> %	_____ to _____ at _____ %
_____ to <u>2002</u> at <u>5.20</u> %	_____ to _____ at _____ %
_____ to <u>2003</u> at <u>5.30</u> %	_____ to _____ at _____ %
_____ to <u>2004</u> at <u>5.40</u> %	_____ to _____ at _____ %
_____ to <u>2005</u> at <u>5.50</u> %	_____ to _____ at _____ %
_____ to _____ at _____ %	_____ to _____ at _____ %

Attached here to is our Cashiers Check No. \_\_\_\_\_ In the amount of \$ 11,000.00 which is our Good Faith Deposit, and which is submitted under the terms set forth in the "Official Notice of Sale".

Respectfully Submitted,

ATTEST: 

The following is a computation of the net cost on the above bid. This computation is not to be considered as part of the bid and is subject to verification

Gross Interest Cost:	\$ <u>139,172.50</u>
- Premium/Discount	\$ <u>9,900.00</u>
Net Interest Cost:	\$ <u>149,072.50</u>
Effective Interest Rate	\$ <u>5.613022</u>

**OFFICIAL NOTICE OF SALE**

**\$550,000  
COUNTY OF SAGINAW,  
MICHIGAN  
BIRCH RUN TOWNSHIP  
GENERAL OBLIGATION  
UNLIMITED TAX LIBRARY  
BONDS, SERIES 1996**

**SEALED BIDS:** Sealed bids for the purchase of the bonds described herein (the "Bonds") will be received by the undersigned for and on behalf of the Township of Birch Run, Michigan (the "Township"), at the office of the Township Supervisor, 8411 Main St. Birch Run, Michigan 48415 on October 22, 1996, until 11:00 a.m. Eastern Daylight Savings Time, at which time and place the bids will be publicly opened and read.

In the alternative, sealed bids will also be received on the same date and until the same time by an agent of the undersigned at the office of the Municipal Advisory Council of Michigan, 1445 First National Building, Detroit, Michigan 48226, where they will be publicly opened simultaneously. Bids received at Birch Run, Michigan, will be read first, followed by the bids received at the alternate location. Bidders may choose either location to present bids and good faith checks, but not both locations. Any bidder may submit a bid in person to either bidding location. However, no bidder is authorized to submit a FAX bid to Birch Run, Michigan.

The Bonds will be awarded or all bids will be rejected by the Township Board of the Township at a meeting to be held beginning at 7:00 p.m., Eastern Daylight Savings Time, on the day of the sale.

**BOND DETAILS:** The Bonds shall be dated October 1, 1996, shall be fully registered Bonds, both as to principal and interest, in any one or more denominations of \$5,000 or a multiple of \$5,000 numbered from 1 upwards and will bear interest from their date of issuance payable on June 1, 1997 and semi-annually thereafter on each December 1 and June 1 until maturity. The Bonds will mature on June 1 of each year, as follows:

Year	Amount	Year	Amount
1997	\$55,000	2002	\$65,000
1998	55,000	2003	65,000
1999	55,000	2004	70,000
2000	55,000	2005	70,000
2001	60,000		

**PRIOR REDEMPTION:** Bonds shall not be subject to redemption prior to maturity.

**INTEREST RATE AND BIDDING DETAILS:** The Bonds shall bear interest at a rate or rates not exceeding 9% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. THE INTEREST RATE BORNE BY BONDS MATURING IN ANY YEAR SHALL NOT BE AT A RATE LOWER THAN THE RATE BORNE BY BONDS MATURING IN ANY PRECEDING YEAR. No proposal for the purchase of less than all of the Bonds, at a price that is less than 98% of their par value or at a rate or rates that will result in a net interest cost of more than 9% per annum, will be considered.

**BOND REGISTRAR, PAYING AGENT AND DATE OF RECORD:** First of America Bank-Southeast Michigan, N.A., Birmingham, Michigan, has been selected as bond registrar and paying agent (the "Bond Registrar") for the Bonds. The Bond Registrar will keep records of the registered holders of the Bonds, serve as transfer agent for the Bonds, authenticate the original and any re-issued bonds and pay interest by check or draft mailed to each registered holder of the Bonds as shown on the registration books of the Township kept by the Bond Registrar on the applicable date of record. The date of record for each interest payment shall be the 15th day of the month before such payment is due. The principal of and redemption premium, if any, on the Bonds will be paid when due upon presentation and surrender thereof to the Bond Registrar.

**PURPOSE AND SECURITY:** The Bonds are being issued pursuant to and in full conformity with the Constitution and Statutes of the State of Michigan, and particularly Act No. 118, Public Acts of Michigan, 1923, as amended (the "Act") for the purpose of paying the cost of constructing, furnishing and equipping a new Township Library to be

used by the Township. Issuance of this series of Bonds was approved at an Election duly called and held in the Township on the 6th day of August, 1996, by a majority of the electors of the Township. The Bonds are secured by and payable from amounts which the Township shall collect each year from an ad valorem tax unlimited as to rate or amount to be levied upon all the taxable property in the Township in an amount determined by the Township to be sufficient to promptly pay when due the principal of and interest on the Bonds prior to the following year's levy and collection of taxes. In addition, the full faith and credit of the Township have been pledged for the prompt payment of the principal of and interest on the Bonds.

**GOOD FAITH CHECK:** A certified or cashier's check drawn upon an incorporated bank or trust company or a financial surety bond in an amount equal to 2% (\$11,000) of the face amount of the Bonds, and payable to the order of the Township Treasurer must accompany each bid as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Bonds. If a check is used, it must accompany each bid. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Michigan and such bond must be submitted to the Township Treasurer prior to the opening of the bids. The financial surety bond must identify each bidder whose good faith deposit is guaranteed by such financial surety bond. If the Bonds are awarded to a bidder utilizing a financial surety bond, then that purchaser (the "Purchaser") is required to submit its good faith deposit to the Township in the form of a cashier's check (or wire transfer such amount as instructed by the Township or its financial advisor) not later than twelve o'clock noon, Eastern Daylight Savings Time, on the next business day following the award. If such good faith deposit is not received by that time, the financial surety bond may be drawn upon by the Township to satisfy the good faith deposit requirement. The good faith deposit will be applied to the purchase price of the Bonds. No interest shall be allowed on the good faith checks, and checks of the unsuccessful bidder will be promptly returned to such bidder's representative or by registered mail. The good faith check of the successful bidder

will be cashed immediately, in which event, payment of the balance of the purchase price of the Bonds shall be made at the closing.

**AWARD OF THE BONDS:** The Bonds will be awarded to the bidder whose bid produces the lowest interest cost computed by determining, at the rate or rates specified in the bid, the total dollar amount of all interest on the Bonds from November 1, 1996, to their maturity and deducting therefrom any premium or adding thereto any discount.

**MICHIGAN PROPERTY TAX AND FINANCE REFORM:** On March 15, 1994, the Michigan electorate voted to amend the State Constitution to increase the state sales tax from 4% to 6% and to place a cap on property value assessment increases. A new state education authority is levying a property tax to finance education, and a higher real estate transfer tax will be imposed on the sale of real property. Legislation has been adopted which contains other proposals that may reduce or alter the revenues of local units of government. While the ultimate nature, extent and impact of the constitutional amendment, the accompanying legislation and or other tax and revenue measures which have been adopted cannot currently be predicted, purchasers of the Bonds offered herein should be alert to the potential effect of such measures upon the Bonds, the security therefor, and the operations of the Township.

**BOND INSURANCE AT PURCHASER'S OPTION:** If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser. Any rating agency fees shall be the responsibility of the purchaser. **FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE TOWNSHIP.**

**LEGAL OPINION:** Bids shall be conditioned upon the unqualified approving opinion of John R. Axe and Associates, Grosse Pointe Farms, Michigan (the "Bond

Counsel"), a copy of which will be printed on the reverse side of each bond and the original of which will be furnished without expense to the Purchaser of the Bonds at the delivery thereof. The fees of Bond Counsel for its services in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue such opinion and as described in the official statement, Bond Counsel has not been requested to examine or review, and has not examined or reviewed, any financial documents, statements or other materials that have been or may be furnished in connection with the authorization, marketing or issuance of the Bonds and, therefore, has not expressed and will not express an opinion with respect to the accuracy or completeness of the official statement or any such financial documents, statements or materials.

**TAX MATTERS:** In the opinion of Bond Counsel subject, however, to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, the Bonds and the interest thereon are exempt from all taxation in the State of Michigan except inheritance taxes, estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

**"QUALIFIED TAX-EXEMPT OBLIGATIONS":** The Bonds have been designated as "Qualified Tax-Exempt Obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

**CERTIFICATE REGARDING "ISSUE PRICE":** The successful bidder will be required to furnish, prior to the delivery of the Bonds, a certificate in a form acceptable to Bond Counsel, as to the "issue price" of the Bonds within the meaning of Section 1273 of the Code.

**DELIVERY OF BONDS:** The Township will furnish bonds ready for execution at its expense. Bonds will be delivered without

expense to the Purchaser at Detroit, Michigan. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of the delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock noon, Eastern Standard Time, on the 45th day following the date of sale or the first business day thereafter if the 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the Bonds, withdraw its proposal by serving written notice of cancellation on the undersigned, in which event the Township shall promptly return the good faith deposit. Payment for the Bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the Bonds shall be paid by the Purchaser at the time of delivery. Unless the Purchaser of the Bonds furnishes the Bond Registrar with a list of names and denominations in which the Purchaser wishes to have the certificates issued at least ten (10) business days before delivery of the Bonds, the Bonds will be delivered in the form of a single certificate for each maturity, registered in the name of the Purchaser.

**OFFICIAL STATEMENT:** A copy of the nearly final official statement (the "Nearly Final Official Statement") may be obtained by contacting Municipal Financial Consultants Incorporated at the address listed below. The Nearly Final Official Statement is in a form deemed final as of its date by the Township for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion of a final official statement (the "Final Official Statement"). The successful bidder shall supply to the Township within twenty-four (24) hours after the award of the Bonds, all pricing information and any underwriter identification determined by Bond Counsel to be necessary to complete the Final Official Statement.

The Township will furnish to the successful bidder, at no cost, 75 copies of the Final Official Statement within seven (7) business days after the award of the Bonds. Additional copies will be supplied upon the bidder's agreement to pay the cost incurred by the Township for those additional copies.

The Township shall deliver at closing an executed certificate to the effect that as of the date of delivery the information contained in

the Final Official Statement, included revisions, amendments and completions as necessary, relating to the Township and the Bonds, is true and correct in all material respects, and that such Final Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

**CUSIP NUMBERS:** It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers nor any improperly printed number shall constitute cause for the Purchaser to refuse to accept delivery of, or to pay for, the Bonds. All expenses for printing CUSIP numbers on the Bonds will be paid by the Township, except that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and paid for by the Purchaser.

**ADDITIONAL INFORMATION:** Further information may be obtained from the undersigned at the address specified above or from Meredith A. Shaule, Municipal Financial Consultants Incorporated, 21 Kercheval Avenue, Suite 360, Grosse Pointe Farms, Michigan 48236, telephone (313) 884-9824.

**THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.**

**ENVELOPES:** Envelopes containing the bids should be plainly marked "Proposal for Birch Run Township General Obligation Unlimited Tax Library Bonds, Series 1996".

**EDWARD MAGNUS, Supervisor**  
Township of Birch Run

---



**CORRECTION TO  
OFFICIAL NOTICE OF SALE  
\$550,000**

**County of Saginaw, Michigan  
BIRCH RUN TOWNSHIP GENERAL OBLIGATION UNLIMITED TAX  
LIBRARY BONDS, SERIES 1996**

**PURPOSE AND SECURITY:** The Bonds are being issued pursuant to and in full conformity with the Constitution and Statutes of the State of Michigan, and particularly Act No. 116, Public Acts of Michigan, 1923, as amended (the "Act") for the purpose of paying the cost of constructing, furnishing and equipping a new Township Library to be used by the Township. Issuance of this series of Bonds was approved at an Election duly called and held in the Township on the 6th day of August, 1996, by a majority of the electors of the Township. The Bonds are secured by and payable from amounts which the Township shall collect each year from an ad valorem tax unlimited as to rate or amount to be levied upon all the taxable property in the Township in an amount determined by the Township to be sufficient to promptly pay when due the principal of and interest on the Bonds prior to the following year's levy and collection of taxes. In addition, the full faith and credit of the Township have been pledged for the prompt payment of the principal of and interest on the Bonds.

EDWARD MAGNUS, Supervisor  
Township of Birch Run

bmp.NOS-GOUT