

RESOLUTION
of the
BOROUGH OF NEW PROVIDENCE
Resolution No. 2011-282

Council Meeting Date: 10-24-2011

Date Adopted: 10-24-2011

TITLE: RESOLUTION APPROVING PURCHASE ORDER NO. 42418 FOR
NW CAPITAL MARKETS INC., IN THE AMOUNT NOT TO
EXCEED \$5,000.00

Councilperson Galluccio submitted the following resolution, which was duly
seconded by Councilperson Cucco.

BE IT RESOLVED by the Mayor and Council of the Borough of New
Providence, in the County of Union and State of New Jersey, that they do hereby
approve purchase as follows:

Purchase Order #	-	42418
Finance	-	10-11-001-172-2-07810
Amount Not to Exceed	-	\$5,000.00

Said purchase order is made and approved in the form as attached hereto and
made a part thereof. Funds for said purchase order are certified available from
Current Budgeted Appropriations.

APPROVED, this 24th day of October, 2011.

RECORD OF VOTE

	AYE	NAY	ABSENT	NOT VOTING
CUCCO	X			
GALLUCCIO	X			
GENNARO	X			
LESNEWICH	X			
MUÑOZ	X			
VYZAS	X			
HERN			TO BREAK COUNCIL TIE VOTE	

I hereby certify that the above resolution was adopted at a meeting of the Borough Council held on the 24th day of October, 2011

Wendi B. Barry, Borough Clerk



NW CAPITAL MARKETS INC.

10 Exchange Place
17th Floor
Jersey City, NJ 07302

Tel (201) 656-0115
Fax (201) 656-4905

October 17, 2011

Mr. Kenneth DeRoberts
Chief Financial Officer
Borough of New Providence
360 Elkwood Avenue
New Providence, NJ 07974

Re: Private Placement of Refunding Bonds, Series 2011

This letter and its attachments shall serve as a proposal regarding the basis upon which NW Capital Markets Inc. ("NW Capital"), would assist the Borough of New Providence (the "Borough") in the issuance of Refunding Bonds. We are pleased to present our qualifications to the Borough to serve as Placement Agent and assist the Borough as part of your professional team.

The Borough has an opportunity to refund \$765,000 of General Obligation Bonds, Series 2001. This is a very small principal amount. As a result, the costs of a traditional refinancing of a municipal security which would include ratings and the cost of preparing full public offering documents make an underwriting cost prohibitive. As a result, NW Capital will attempt to privately place the offering.

As Placement Agent to the Borough, NW Capital will provide services associated with identifying a purchaser and assisting in coordinating the efforts of the Borough. NW Capital, at the direction of the Borough, will assist in the review and supervision of actions required. In connection with this assignment, NW Capital agrees to provide certain services to the Borough, including, but not limited to:

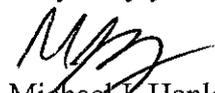
- Develop and complete the financing plan for the structuring, marketing and issuance of the bonds. Organize the project team, schedule and attend working group meetings to assign responsibilities and determine a financing timetable.
- Review financial data and development of situation-specific computer models to assist in assessing alternatives, testing the validity of assumptions and running sensitivity analyses.

- Assemble and analyze pertinent information in order to identify the required resources to secure the proposed financing.
- Prepare and submit for the Borough approval a recommended approach to financing, including: (a) sources of capital and costs of funds; (b) amortization and debt service alternatives; and (c) security features.
- Attend meetings, as reasonably required, with Borough personnel, attorneys, consultants, engineers, accountants and others in order to pursue, propose and/or consummate a financing.
- Advise and assist in the drafting of documents pertaining to the proposed financing.
- Make periodic presentations to the Borough to keep the appropriate individuals informed of market conditions, financing alternatives and funding sources.
- Prepare a financial presentation package and information memorandum to be used in securing financing.
- Advise and assist bond counsel and legal counsel with the development and drafting of the necessary legal proceedings authorizing the issuance and sale of the bonds, including validity and tax opinions.
- Advise and assist in the determination of the issue's size, maturity and sinking fund schedules, call features, premiums and covenants, as applicable.
- Work with appropriate counsel to prepare purchase agreement, indenture, and any other required legal documents.
- Assist the Borough in selecting a trustee/escrow agent, as appropriate. Additionally, coordinate with the trustee/escrow agent investment of the funds at the highest allowable yield.
- Obtain CUSIP numbers and DTC eligibility.
- Prepare supplemental information to distribute to institutional and retail brokers in a pre-marketing effort approximately one week prior to pricing. Participate in conference calls and/or meetings with interested investment sources to discuss the specifics of the transaction more thoroughly.

- Market the issue and tender a bond purchase contract.
- Coordinate the closing (date, time and place).
- Assist in the preparation of all necessary closing papers and certificates.
- Assist in arrangements for closing of the issue, distribute the final official statements and supervise the transmittal of proceeds to the appropriate trust accounts, making funds available for investment the day of closing.
- Assist in the investment of proceeds, if requested by Borough, including calculating expected interest earnings; or, if preferred, recommend a third party to provide the Authority with this assistance.

NW Capital would like to act as Placement Agent for this transaction and proposes a fee of \$5,000.

Very truly yours,



Michael I. Hanley
Managing Director