

NOTICE OF BOND SALE

\$880,000

DEPARTMENT OF STORMWATER

MANAGEMENT OF THE TOWN OF

CHESTERTON, INDIANA

DEPARTMENT OF STORMWATER

MANAGEMENT BONDS, SERIES 2011

On December 14, 2011, at 11:00 a.m. Central Standard Time, the Department of Stormwater Management of the Town of Chesterton, Indiana (the "District"), the District received sealed proposals for the purchase of the "Town of Chesterton, Indiana, Department of Stormwater Management Bonds, Series 2011" (the "Bonds") in the aggregate principal amount of Eight Hundred Eighty Thousand Dollars (\$880,000). Notice is hereby given that a confirmatory sale will be held on January 25, 2012 at 11:00 a.m. Central Standard Time.

The Bonds are being issued for the purpose of providing funds to acquire, construct, rebuild, repair, extend, and improve the storm water system and equipment, and structures and equipment appurtenant to them and payment of expenses incidental to the issuance of the Bonds (the "Project"). The Bonds and the interest due thereon are not general obligations of the Town, but are the obligation and indebtedness of the District, as a special taxing district, and shall be payable solely out of the special benefits tax levied on all property in the District. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360)-day year comprised of twelve (12) thirty (30)-day months and will be payable on June 30 and December 31 of each year beginning on June 30, 2012. The maximum rate that was allowed to be bid was 5%. All payments of principal and interest on the Bonds shall be paid by wire transfer on the payment date to the registered owners thereof as of the fifteenth (15th) day immediately preceding the interest payment date (the "Record Date"). The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

The Bonds will be dated and bear interest from December 21, 2011. The Bonds will mature on each December 31 pursuant to the maturity schedule provided to interested bidders at least twenty-four (24) hours prior to December 14, 2011. The Bonds are not subject to optional redemption prior to maturity.

The Bonds have been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

The successful bidder will be required to make payment for the Bonds in Federal Reserve or other immediately available funds and accept delivery of the Bonds on January 12, 2012, at a location designated by the District.

At the time of delivery of the Bonds, the approving opinion of Shanahan & Shanahan LLP, Bond Counsel, of Chicago, Illinois, as to the validity of the Bonds, together with a transcript of the Bond proceedings and closing certificates in the customary form showing no litigation will be furnished to the successful bidder at the expense of the District.

Dated this 9th day of January, 2012.

DEPARTMENT OF STORMWATER

MANAGEMENT OF THE TOWN

OF CHESTERTON, INDIANA

/s/ Gayle S. Polakowski

Secretary

(January 10, 17, 2012)