OFFICIAL BID FORM

PROPOSAL FOR THE PURCHASE OF

CITY OF COLWICH, KANSAS

GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2010

TO: Diana K. Brooks, Clerk
City of Colwich, Kansas

May 17, 2010

For $600,000 principal amount of General Obligation Refunding and Improvement Bonds, Series 2010, of the City of Colwich, Kansas, to be dated May 27, 2010, as described in your Notice of Bond Sale dated April 19, 2010, said Bonds to bear interest as follows:

Stated Maturity October 1	Principal Amount	Annual Rate of Interest	Stated Maturity October 1	Principal Amount	Annual Rate of Interest
2010	$60,000	__________%	2021	$5,000	__________%
2011	65,000	__________%	2022	5,000	__________%
2012	65,000	__________%	2023	5,000	__________%
2013	70,000	__________%	2024	5,000	__________%
2014	50,000	__________%	2025	5,000	__________%
2015	55,000	__________%	2026	5,000	__________%
2016	55,000	__________%	2027	5,000	__________%
2017	60,000	__________%	2028	5,000	__________%
2018	60,000	__________%	2029	5,000	__________%
2019	5,000	__________%	2030	5,000	__________%
2020	5,000	__________%			

the undersigned will pay the par value of the Bonds plus accrued interest to the date of delivery, less a total discount, plus a total premium in the amount set forth below.

Total interest cost to maturity at the rates specified .... $______________________
Discount (if any) not to exceed 1% .... $______________________
Premium (if any) .... ($______________________)
Net interest cost........ $______________________
Average annual net interest rate .... ____________%

☐ The Bidder elects to have the following Term Bonds:

Maturity Date	Years	Amount
October 1, ____	_________ to _________	$______________
October 1, ____	_________ to _________	$______________

subject to mandatory redemption requirements in the amounts and at the times shown above.

This proposal is subject to all terms and conditions contained in said Notice of Bond Sale, and if the undersigned is the successful bidder, the undersigned will comply with all of the provisions contained in said Notice. The acceptance of this proposal by the Issuer shall constitute a contract between the Issuer and the successful bidder and a bond purchase agreement for purposes of the laws of Kansas.

Submitted by:_________________________________

[LIST ACCOUNT MEMBERS ON REVERSE]

By:__________________________________

Telephone No.(____)___________________________

ACCEPTANCE

Pursuant to action duly taken by the Governing Body of the City of Colwich, Kansas, the above proposal is hereby accepted on May 17, 2010.

Attest:

____
Clerk

____
Mayor

NOTE: No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Sealed bids may be filed with the Clerk, Diana K. Brooks, City Hall, 310 S. 2nd, Colwich, Kansas 67030, facsimile bids may be filed with the Clerk, Fax No. (316) 796-0913, at or prior to 2:00 p.m., Central Standard Time, on May 17, 2010. Any bid received after such time will be returned to the bidder.

NOTICE OF BOND SALE

$600,000

CITY OF COLWICH, KANSAS

GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS SERIES 2010

(GENERAL OBLIGATION BONDS PAYABLE FROM UNLIMITED AD VALOREM TAXES)

Bids. Written bids for the purchase of the above-referenced bonds (the "Bonds"), of the City of Colwich, Kansas (the "Issuer") herein described will be received on behalf of the undersigned Clerk of the Issuer at the address hereinafter set forth, until 2:00 p.m., Central Standard Time (the "Submittal Hour"), on

MAY 17, 2010

(the "Sale Date"). All bids will be publicly evaluated at said time and place and the award of the Bonds will be acted upon by the governing body at its meeting to be held at 7:00 P.M. on the Sale Date. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Bonds.

Terms of the Bonds. The Bonds will consist of fully registered bonds in the denomination of $5,000 or any integral multiple thereof (the "Authorized Denomination"). The Bonds will be dated May 27, 2010 (the "Dated Date"), and will become due in principal installments on October 1 in the years as follows:

Year	Principal Amount	Year	Principal Amount
2010	$60,000	2021	$5,000
2011	65,000	2022	5,000
2012	65,000	2023	5,000
2013	70,000	2024	5,000
2014	50,000	2025	5,000
2015	55,000	2026	5,000
2016	55,000	2027	5,000
2017	60,000	2028	5,000
2018	60,000	2029	5,000
2019	5,000	2030	5,000
2020	5,000		

The Bonds will bear interest from the Dated Date at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on April 1 and October 1 in each year, beginning on October 1, 2010 (the "Interest Payment Dates").

Place of Payment. The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The principal of each Bond will be payable at maturity or earlier redemption to the owners thereof whose names are on the registration books (the "Bond Register") of the Bond Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date"): (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of $500,000 or more in aggregate principal amount of Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

Bond Registration. The Bonds will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas. The Issuer will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Owners.

Book-Entry-Only System. The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The Bonds will initially be issued exclusively in "book entry" form and shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the Issuer will make payments of principal of, premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The Issuer will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that (i) DTC determines not to continue to act as securities depository for the Bonds, or (ii) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the Issuer will discontinue the book-entry-only form of registration with DTC. If the Issuer fails to identify another qualified securities depository to replace DTC, the Issuer will cause to be authenticated and delivered to the beneficial owners replacement Bonds in the form of fully registered certificates. Reference is made to the Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

Redemption of Bonds Prior to Maturity.

General. Whenever the Issuer is to select Bonds for the purpose of redemption, it will, in the case of Bonds in denominations greater than the minimum Authorized Denomination, if less than all of the Bonds then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered Bond as though it were a separate Bond in the minimum Authorized Denomination.

Optional Redemption. At the option of the Issuer, Bonds or portions thereof maturing on October 1 in the years 2016, and thereafter, will be subject to redemption and payment prior to maturity on October 1, 2015, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Mandatory Redemption. A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds (the "Term Bonds") scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form.

Notice and Effect of Call for Redemption. Unless waived by any owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the original purchaser of the Bonds. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the registered owners of said Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the date fixed for redemption. All notices of redemption shall state the date of redemption, the redemption price, the Bonds to be redeemed, the place of surrender of Bonds so called for redemption and a statement of the effect of the redemption. The Issuer shall also give such additional notice as may be required by Kansas law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security. The Bonds are being issued pursuant to K.S.A. 12-6a01 *et seq,* and K.S.A. 10-427 *et. seq*., as amended, and an ordinance and resolution adopted by the governing body of the Issuer (jointly the "Bond Resolution") for the purpose of paying the cost of certain internal improvements (the "Improvements"). The Bonds shall be general obligations of the Issuer payable as to both principal and interest in part from special assessments levied upon the property benefited by the construction of said Improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer, with the balance payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal and interest on the Bonds as the same become due.

Submission of Bids. All bids must be made on forms which may be procured from the Clerk or the Financial Advisor. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid. Written bids must be submitted in writing in sealed envelopes, by mail or hand delivered or by facsimile, addressed to the undersigned, and marked "Proposal for General Obligation Refunding and Improvement Bonds, Series 2010." Written bids submitted by facsimile should not be preceded by a cover sheet and should be sent only once to (316) 796-0913. Confirmation of receipt of facsimile bids may be made by contacting the undersigned at the number listed below. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which may be submitted separately, provided such Deposit is received by the Issuer prior to the

Submittal Hour on the Sale Date. The Issuer shall not be responsible for failure of transmission of facsimile or delivery by mail or in person of any bid.

Conditions of Bids. Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Bonds of the same maturity year; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by ***THE BOND BUYER***, in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 5%; and (c) no supplemental interest payments will be considered. No bid shall be for less than 99% of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the Bonds on the basis of such bid, the discount, if any, the premium, if any, offered by the bidder, the net interest cost (expressed in dollars) on the basis of such bid and the average annual net interest rate (expressed as a percentage) on the basis of such bid. Each bidder shall certify to the Issuer the correctness of the information contained on the Official Bid Form; the Issuer will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Bonds, it will provide the certification as to initial offering prices described under the caption "Certification as to Offering Price" in this Notice.

Optional Bond Insurance. The Issuer has **not** applied for any policy of municipal bond insurance with respect to the Bonds, and will not pay the premium in connection with any policy of municipal bond insurance desired by the successful bidder. In the event a bidder desires to purchase and pay all costs associated with the issuance of a policy of municipal bond insurance in connection with the Bonds, a commitment from the selected insurer must be attached to such bidder's Official Bid Form, and shall specify all terms and conditions to which the Issuer will be required to agree in connection with the issuance of such insurance policy. The Issuer specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest net interest cost to the Issuer.

CUSIP Numbers. CUSIP identification numbers will be assigned and printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of this Notice. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the Issuer.

Delivery and Payment. The Issuer will pay for printing the Bonds and will deliver the Bonds properly prepared, executed and registered without cost on or about **May 27, 2010** (the "Closing Date"), to DTC for the account of the successful bidder. The successful bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be made in federal reserve funds, immediately available for use by the Issuer.

The Issuer will deliver one Bond of each maturity registered in the nominee name of DTC.

Certification as to Offering Prices. To provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), the successful bidder will be required to complete, execute and deliver to the Issuer prior to the delivery of the Bonds, a certificate regarding the "issue price" of the Bonds (as defined in Section 148 of the Code), reflecting the initial offering prices (excluding accrued interest and expressed as dollar prices) at which a substantial amount (*i.e.*, 10% or more) of the Bonds of each maturity have been or are expected to be sold to the public. The information necessary to complete such certificate shall be provided to the Issuer or the Financial Advisor not more than 30 minutes after notification by the Issuer or its Financial Advisor of the award of the Bonds to such successful bidder The term "public" excludes bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers. Such certificate shall state that 10% or more of the Bonds of each maturity have been or are expected to be sold to the public at prices no higher than such initial offering prices. However, such certificate may indicate that the successful bidder will not offer the Bonds for sale to the public.

Preliminary Official Statement and Official Statement. The Issuer has prepared a Preliminary Official Statement dated April 19, 2010, copies of which may be obtained from the Clerk or from the Financial Advisor. Upon the sale of the Bonds, the Issuer will adopt the final Official Statement and will furnish the successful bidder, without cost, with a sufficient number of copies thereof, which may be in electronic format, in order for the successful bidder to comply with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board (the "Rule"). Additional copies may be ordered by the successful bidder at its expense. The Issuer's acceptance of the successful bidder's proposal for the purchase of the Bonds in accordance with this Notice of Bond Sale shall constitute a contract between the Issuer and the successful bidder for purposes of the Rules.

Continuing Disclosure. The Securities and Exchange Commission (the "SEC") has promulgated amendments to its Rule 15c2-12 (the "Rule") requiring continuous secondary market disclosure for certain issues. The Issuer is relying on a provision of the Rule that exempts issues of less than $1,000,000 aggregate principal amount from the requirements of the Rule and therefore has **not** covenanted to provide continuous secondary market disclosure. However, the Issuer obtains an audit of its annual financial statements by independent auditors, and presently intends to supply its most recent audited financial statements to any Registered Owner upon written request and reimbursement to the Issuer of the costs of the photocopying and mailing. The absence of continuing disclosure of financial or other information pertaining to the Issuer may impair the development of a secondary market for the Bonds and could impair the ability of a Registered Owner to sell the Bonds in the secondary market.

Assessed Valuation and Indebtedness. The total assessed valuation of the taxable tangible property within the Issuer for the year 2009, is as follows:

Equalized Assessed Valuation of Taxable Tangible Property	$10,323,707
Tangible Valuation of Motor Vehicles...	1,718,329
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations	$12,042,036

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is $2,525,000. Temporary notes in the principal amount of $180,000 will be retired out of proceeds of the Bonds and other available funds, which will reduce the outstanding general obligation indebtedness of the Issuer to $2,345,000.

Legal Opinion. The Bonds will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel, which opinion will be furnished and paid for by the Issuer, will be printed on the Bonds, if the Bonds are printed, and will be delivered to the successful bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond Counsel relating to the exclusion of the interest on the Bonds from gross income for federal income tax purposes and from computation of Kansas adjusted gross income. Reference is made to the Preliminary Official Statement for further discussion of federal and Kansas income tax matters relating to the interest on the Bonds.

Additional Information. Additional information regarding the Bonds may be obtained from the undersigned, or from the Financial Advisor, at the addresses set forth below:

DATED: April 19, 2010.

CITY OF COLWICH, KANSAS
By Diana K. Brooks, Clerk

Written and Facsimile Bid: Delivery Address:

City Hall, 310 S. 2nd, Colwich, Kansas 67030
Phone No. (316) 796-1025
Fax No. (316) 796-0913
Email: colwichclerk@sbcglobal.net

Financial Advisor :

CITYCODE FINANCIAL, LLC
7701 E. Kellogg, Suite 700
Wichita, Kansas 67207
Attn: Larry Kleeman
Phone No. (316) 685-5911
Fax No. (316) 685-6707
Email: larry@citycode.com