

NO ARBITRAGE CERTIFICATE OF THE
TOWN OF BRISTOL

Bonds: \$12,210,000 Town of Bristol, Rhode Island General Obligation Bonds dated February 15, 2009 and due February 15, 2010-2029 (the "Bonds")

Notes: \$2,000,000 Town of Bristol, Rhode Island General Obligation Bond Anticipation Notes dated February 18, 2009 and due February 17, 2010 (the "Notes")

Issuer: Town of Bristol

The undersigned, acting on behalf of the Issuer in connection with the issue of the Bonds and the Notes by the Issuer, hereby certifies on the basis of the facts, estimates and circumstances in existence on the date of this certificate that he reasonably believes as follows:

1. Description and Purpose of the Bonds.

Bonds in the amount of \$5,535,000 will be issued to refund the \$5,535,000 portion of the Town's \$9,935,000 General Obligation Bond Anticipation Notes issued on February 19, 2008 (the "Refunded Note") and maturing on February 18, 2009 pursuant to the authority contained in Section 45-12-2 of the General Laws of Rhode Island and a resolution approved by the Town Council on January 28, 2009 originally issued to finance the construction of additions, renovations, and repairs of certain property known as Rogers Free Library in Bristol, Rhode Island, and the provision of architectural, engineering, surveying, construction management and other professional services necessary or appropriate therefore (the "Library Project").

Bonds in the amount of \$2,050,000 will be issued to refund the \$2,050,000 portion of the Town's \$9,935,000 General Obligation Bond Anticipation Notes issued on February 19, 2008 and maturing on February 18, pursuant to the authority contained in Section 45-12-2 of the General Laws of Rhode Island and a resolution approved by the Town Council on January 28, 2009 originally issued to finance making improvements to the Colt Memorial School, by way of a loan to Bristol Warren Regional School District, and the provision of architectural, engineering, surveying, construction management and other professional services necessary or appropriate therefore (the "Colt School Project").

Bonds in the amount of \$350,000 will be issued to refund the \$350,000 portion of the Town's \$9,935,000 General Obligation Bond Anticipation Notes issued on February 19, 2008 and maturing on February 18, 2009 pursuant to the authority contained in Section 45-12-2 of the General Laws of Rhode Island and a resolution approved by the Town Council on January 28, 2009 originally issued to finance the construction and/or improvements to the Town's public burial grounds (the "Burial Ground Project").

Bonds in the amount of \$525,000 are authorized pursuant to the authority contained in Chapter 414/499 of the Public Laws of 2006 and a resolution approved by the Town Council on January 28, 2009 to finance the construction of road repairs, and engineering, surveying and other professional services necessary or appropriate therefore (the "Road Repair Project").

Bonds in the amount of \$500,000 are authorized pursuant to the authority contained in Chapter 414/499 of the Public Laws of 2006 and a resolution approved by the Town Council on January 28, 2009 to finance open space and property acquisition for municipal purposes and other professional services necessary or appropriate therefore (the "Open Space Project").

Bonds in the amount of \$3,250,000 are authorized pursuant to the authority contained in Section 45-12-2 of the General Laws of Rhode Island and a resolution approved by the Town Council on January 28, 2009 to finance the construction of the public safety building located in the Town, and the provision of architectural, engineering, surveying, construction management and other professional services necessary or appropriate therefore (the "Public Safety Project").

2. Description and Purpose of the Notes.

Notes in the amount of \$2,000,000 will be issued to refund the \$2,000,000 portion of the Town's \$9,935,000 General Obligation Bond Anticipation Notes issued on February 19, 2008 and maturing on February 18, 2009 (the "Prior Notes") pursuant to authority contained in Chapter 138/234 of the Public Laws of 2000 and a resolution approved by the Town Council on January 28, 2009. The Prior Notes were issued to finance the construction of additions, renovations, and repairs of certain property known as Rogers Free Library in Bristol, Rhode Island, and the provision of architectural, engineering, surveying, construction management and other professional services necessary or appropriate therefore.

3. Use of Proceeds. On the basis of the facts, estimates and circumstances in existence on the date of this certificate, I reasonably expect the following:

(a) Original Proceeds of the Bonds. The Issuer will receive the following monies from the sale of the Bonds:

(i)	face amount of the Bonds	\$12,210,000.00
(ii)	plus accrued interest	\$3,539.02
(iii)	plus premium (net of underwriter's discount of \$88,672.19 and bond insurance premium of \$34,893.01)	\$2,586.60
	TOTAL	\$12,216,125.62

(b) Original Proceeds of Notes. The Issuer will receive the following monies from the sale of the Notes:

(i)	face amount of the Notes	\$2,000,000.00
(ii)	plus accrued interest on Notes	\$0
(iii)	plus premium on Notes	\$11,700.00
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	TOTAL	\$2,011,700.00

(c) Application of Proceeds of the Bonds. The proceeds of the Bonds will be applied as follows:

(i)	The sum of \$5,535,000 will be applied to the repayment of the Refunded Note on its due date February 18, 2009 for the Library Project	\$5,535,000.00
(ii)	The sum of \$2,050,000 will be applied to the repayment of the Refunded Note on its due date February 18, 2009 for the Colt School Project	\$2,050,000.00
(iii)	The sum of \$350,000 will be applied to the repayment of the Refunded Note on its due date February 18, 2009 for the Burial Ground Project	\$350,000.00
(iv)	The sum of \$525,000 will be applied on this date to the Road Repair Project	\$525,000.00
(v)	The sum of \$500,000 will be applied on this date to the Open Space Project	\$500,000.00
(vi)	The sum of \$3,250,000 will be applied on this date to the Public Safety Building Project	\$3,250,000.00
(vii)	The sum of \$3,539.02 will be used toward an interest payment on August 15, 2009	\$3,539.02

(viii)	The sum of \$2,586.60 will be used toward costs of issuance	\$2,586.60 <hr/>
	TOTAL	\$12,216,125.62

(d) Application of Proceeds of the Notes. The proceeds of the Notes will be applied as follows:

(i)	The sum of \$2,000,000 will be applied toward the repayment of the Refunded Library Note on its due date February 18, 2009	\$2,000,000.00
(ii)	The sum of \$11,700 will be used to pay costs of issuance	\$11,700.00 <hr/>
	TOTAL	\$2,011,700.00

(e) Overissuance. The original proceeds of the Notes and the Bonds do not exceed the total amount necessary for the governmental purposes of the Notes and the Bonds.

(f) Refunded Notes.

(i) Transferred Proceeds: There are no unspent proceeds of the Refunded Notes.

(ii) No Overissue. The principal amount originally borrowed for the purpose of the Refunded Notes did not exceed the amount needed for the purpose after taking account of all other available funds.

(iii) Time Test. Substantial binding obligations to commence the Library, Colt School and Burial Ground Projects, in the amount of at least five (5%) percent of the net sale proceeds, were incurred within six months of the original borrowing.

(iv) Expenditure Test. The new money originally borrowed for the Refunded Notes has been or is expected to be needed and expended for project costs within 18 months from the date of the original borrowing.

(v) Due Diligence. The projects which have been paid by the Refunded Notes have proceeded or are proceeding with due diligence to completion.

4. No Other Sinking Funds or Pledge Funds. There are no other funds or accounts of the Issuer which are expected to be used to pay debt service on the Bonds or the Notes or which are pledged as collateral for the Bonds or the Notes and for which there is a reasonable assurance that amounts therein or the investment income earned from such funds or accounts will be available to pay debt service on the Bonds or the Notes if the Issuer encounters financial difficulties.

5. Temporary Periods.

3 Year Temporary Period. The Issuer reasonably expects that:

- (i) on or before February 18, 2012, the Issuer will incur substantial binding obligations to expend at least five (5%) percent of the net sale proceeds on the above referenced capital projects for which new money is borrowed;
- (ii) it will proceed with due diligence to completion on each of the above referenced capital projects for which new money is borrowed; and
- (iii) on or before February 18, 2012, the Town will spend at least eighty-five (85%) percent of the net sale proceeds on the above referenced capital projects for which new money is borrowed.

6. Investments.

(a) Bond and Note Proceeds. The proceeds of the Bonds and Notes will be invested for a period not exceeding three (3) years from this date, in investments which are unrestricted as to yield but at all times in compliance with the Compliance Certification delivered by the Issuer.

(b) Debt Service Funds. No debt service fund will be maintained for the Bonds or the Notes.

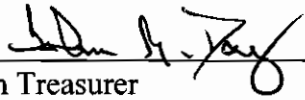
(c) Yield. Yield on the Bonds and Notes and any obligations purchased with proceeds of the Bonds and the Notes, will be calculated at that yield which, when used in computing the present worth of all payments of principal and interest to be paid on the obligations, produces an amount equal to the purchase price.

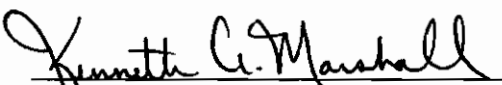
7. No Arbitrage. On the basis of the foregoing facts, estimates and circumstances, it is not expected that the proceeds of the Bonds and Notes will be used in a manner that would cause the Bonds and Notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations of the United States Department of the Treasury applicable thereto. To the knowledge and belief of the undersigned, the expectations herein are reasonable and there are no other facts, estimates or circumstances that would materially change such expectations.

8. Reliance. The Issuer has not been notified of any listing or proposed listing of the Issuer by the Internal Revenue Service as an issuer whose arbitrage certificates or covenants may not be relied upon.

DATED: February 18, 2009

TOWN OF BRISTOL


Town Treasurer


Chairman of the Town Council