



September 6, 2018

Town of East Haddam
Municipal Office Complex
1 Plains Road
Moodus, CT 06469

RE: Town of East Haddam, Connecticut
\$5,400,000 General Obligation Bond Anticipation Notes, dated September 6, 2018

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Town of East Haddam, Connecticut (the "Town") of its \$5,400,000 General Obligation Bond Anticipation Notes, dated September 6, 2018 (the "Notes").

In connection therewith, we have examined the law and such other materials as we have deemed necessary in order to render this opinion and have relied upon originals or copies, certified or otherwise identified to our satisfaction, of such public and private records, certificates and correspondence of public officials, including certificates of officials of the Town and such other documents as were provided to us. In making such examinations, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to original documents of documents submitted as certified or photostatic copies, the validity of all applicable statutes, ordinances, rules and regulations, the capacity of all persons executing documents and the proper indexing and accuracy of all public records and documents. As to questions of fact material to our opinion, we have relied upon written representations and agreements executed by officials of the Town authorized to issue the Notes, in connection with the issuance and delivery of the Notes, without undertaking to verify the same by independent investigation.

We have not been engaged nor have we undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Notes and we express no opinion relating thereto.

Based upon the foregoing examination, we are of the opinion, as of the date hereof and under existing law, as follows:

Updike, Kelly & Spellacy, P.C.

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When certified as provided thereon by a duly authorized official of U.S. Bank National Association, the Notes will be the valid and binding general obligations of the Town. The Notes will be payable as to both principal and interest, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to certain classified property such as certified forest land taxable at a limited rate pursuant to Section 12-97 of the Connecticut General Statutes and dwelling houses of qualified elderly persons of low income taxable at limited amounts pursuant to Section 12-129b of the Connecticut General Statutes. Subject to conformity with Section 12-129d of the Connecticut General Statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation upon its power to tax such dwelling houses.

Under existing law, interest on the Notes is not includable in the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and such interest is not treated as a preference item for purposes of calculating the federal alternative minimum tax for individuals or corporations; however, for taxable years that began before January 1, 2018 for certain corporations (as defined for federal income tax purposes) such interest may be taken into account in computing the corporation's federal alternative minimum tax liability.

The opinions set forth in the preceding paragraph are subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes.

Under existing law, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates subject to and required to pay the federal alternative minimum tax.

It is to be understood that the rights of the holders of the Notes and the enforceability of the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, and their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Notes may affect the tax status of interest on the Notes.

Although we have rendered an opinion that interest on the Notes is not includable in the gross income of the owners thereof for purposes of federal income taxation, federal income tax

liability may otherwise be affected by the ownership or disposition of the Notes. We express no opinion regarding any other federal or state tax consequence of ownership or disposition of, or receipt of interest income on, the Notes not specifically described herein.

Very truly yours,

Updike, Kelly & Spellacy, P.C.
UPDIKE, KELLY & SPELLACY, P.C.