

**COLORADO STATE TREASURER on behalf of the  
COLORADO DEPARTMENT OF TRANSPORTATION (CDOT)  
REQUEST FOR PROPOSALS  
UNDERWRITING SERVICES OR DIRECT LOAN PROVIDER  
SUBMISSION DEADLINE: JANUARY 15, 2013 @ 2:00 PM MST**

RFP Questions and Answers  
Thursday, January 10, 2013

QUESTION	RESPONSE FROM CDOT
<p><b>1. Why execute a taxable transaction? Why were some of the bonds not refunded in 2011?</b></p>	<p>Bond Counsel has determined the remaining outstanding portion of the 2004 TRANs are not advance- refundable on a tax-exempt basis.</p>
<p><b>2. What does the penultimate bullet on page 4 mean?</b></p>	<p>Bond counsel has advised CDOT that CDOT's interests are best served by ensuring that the value of the taxable bonds outstanding at all times during the escrow term be greater than the value of the investments allocable to the taxable bonds, based on the allocation and accounting rules applicable to the taxable bonds and the refunded TRANs under the Internal Revenue Code and the Regulations thereunder. It is currently expected that a transaction structured to provide uniform savings will accomplish this objective.</p>
<p><b>3. RFP title is for "Direct Loan Provider" but the introductory paragraph says "private placement proposals." Is CDOT interested in both options? One implies buy/hold; the other assumes a reoffering occurs.</b></p>	<p>CDOT is willing to consider either structure.</p>
<p><b>4. Will CDOT provide a disclosure document under either an underwriting or direct loan/private placement structure, and if so, when?</b></p>	<p>CDOT expects that a disclosure document would be prepared for an underwriting, but would not be prepared for a direct loan/private placement. For any structure other than a conventional underwriting, CDOT would expect to prepare a customary Investor Letter regarding sophisticated investor status and due diligence obligations for execution by the purchaser.</p> <p>In your response for both/either, please document your firm's expectations for <u>disclosure (official statement, limited offering memorandum, investor letter, other) and credit ratings.</u></p>
<p><b>5. Will either an underwritten or direct loan/private placement structure be rated? If so, when will ratings be provided?</b></p>	<p>CDOT expects that an underwriting would be rated, but expects that ratings would not be necessary for a direct loan.</p>
<p><b>6. Question 5a implies respondents will be providing <u>firm</u> quotes (based on spreads to an index) at the time of RFP submission. Please confirm.</b></p>	<p>Confirmed.</p>

QUESTION	RESPONSE FROM CDOT
<p><b>7. Many of the questions require responses that will vary according to whether it is an underwriting or direct loan/private placement (for example, Questions 6, 9 and 10). For these questions, if we are responding to both components of the RFP, should we provide both (e.g. for Question 6, should we provide an example of an underwriting and a direct loan/private placement)?</b></p> <p><b>If we are responding for both an underwriting and a direct loan/private placement, do we have a 12 page limit?</b></p>	<p>Please provide both answers. If your firm is responding with both an underwriting proposal and a direct loan proposal, those will be treated as separate proposals. Accordingly, your response can be 12 pages for each approach.</p>
<p><b>8. Can you provide the amortization/redemption schedule of these bonds? Which TRANs (CUSIP) are being refinanced?</b></p>	<p>The Official Statement for the 2004 TRANs can be found on EMMA at <a href="http://emma.msrb.org/MS219724-MS195032-MD378626.pdf">http://emma.msrb.org/MS219724-MS195032-MD378626.pdf</a>.</p> <p>Please note that only \$7,455,000 of the 2015 maturity and \$21,115,000 of the 2016 maturity are still outstanding.</p>
<p><b>9. Can you give us some numbers on the cash that is in the trust estate related to these bonds?</b></p>	<p>CDOT encourages firms to review the description of the Trust Estate and the moneys available for allocation by the Transportation Commission to the payment of the TRANs (beginning on page 11) in the 2011 TRANs OS at <a href="http://emma.msrb.org/EP553943-EP432751-EP831344.pdf">http://emma.msrb.org/EP553943-EP432751-EP831344.pdf</a>.</p> <p>Additional information can be found in the State's CAFR at <a href="http://www.colorado.gov/dpa/dfp/sco/CAFR/cafr12/cafr12.pdf">http://www.colorado.gov/dpa/dfp/sco/CAFR/cafr12/cafr12.pdf</a>.</p>
<p><b>10. What is CDOT's desired tenor of a private placement structure? What is CDOT's expected amortization schedule of a private placement structure?</b></p>	<p>As described on page 1 of the RFP, CDOT's desired structure is to structure the refunding to provide uniform savings against the existing debt service schedule.</p>