

**Monica I. Mezzapelle**  
COMMISSIONER OF THE TREASURY



**THE STATE OF NEW HAMPSHIRE**  
**STATE TREASURY**  
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His Excellency Governor Christopher T. Sununu  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

October 7, 2020

### REQUESTED ACTION

1. Pursuant to RSA 6-A:2, adoption is requested of the attached resolution permitting the State Treasurer to proceed with the sale and issuance of up to \$100 million of general obligation ("new money") bonds through a competitive process, negotiated sale, or private placement. This resolution will have an expiration date of June 30, 2021.
2. Pursuant to RSA 6-A:10, adoption is requested of the attached resolution permitting the State Treasurer to conduct the sale and issuance of up to \$165 million of general obligation refunding bonds through a competitive process, negotiated sale, or private placement to refund outstanding general obligation bonds of the State to generate net present value debt service savings of at least three percent of the par value of the refunded bonds. This resolution will also have an expiration date of June 30, 2021.

### EXPLANATION

As of September 30, 2020, the State had approximately \$234 million of authorized and unissued general obligation debt outstanding after lapses. This debt has been authorized by the legislature in recent biennia for a variety of capital projects. The purpose of the "new money" bond issue is to finance a portion of these ongoing projects.

In addition, interest rates are presently at levels that enable the Treasury to consider issuing general obligation refunding bonds to refund (refinance) a portion of the State's outstanding general obligation bonds. Preliminary estimates indicate that net present value savings of the refunding bonds could exceed three percent, which is a threshold that Treasury has historically viewed as advantageous to the State.

RSA 6-A:2 and RSA 6-A:10 provide that the issuance of State bonds shall be authorized by the Governor and Council.

Respectfully requested,

Monica I. Mezzapelle  
Commissioner of the Treasury

The Governor and Council hereby certify that the attached resolutions were adopted at their meeting on October 21, 2020.

\_\_\_\_\_  
Governor

\_\_\_\_\_  
Councilor

\_\_\_\_\_  
Councilor

\_\_\_\_\_  
Councilor

\_\_\_\_\_  
Councilor

\_\_\_\_\_  
Councilor

A true copy

Attest:

\_\_\_\_\_  
Secretary of State

Resolved: that the Commissioner of the Treasury or the State Treasurer (hereinafter for purposes of this resolution, the “State Treasurer”) is hereby authorized to issue General Obligation Capital Improvement Bonds (the “New Money Bonds”), subject to the following paragraph, in an aggregate principal amount not to exceed \$100,000,000 to finance new project costs, to be dated and to mature on such date or dates as the State Treasurer shall determine, and to bear interest at the rates and to be subject to redemption, all as determined by the State Treasurer at the time of sale of the New Money Bonds.

Further Resolved: that the State Treasurer is hereby authorized to issue all or a portion of the New Money Bonds in one or more series or sub-series, and at one or more times and to reduce the aggregate principal amount of New Money Bonds to be issued if the State Treasurer determines that issuing the New Money Bonds at different times or issuing such aggregate smaller amount of New Money Bonds is in the best interests of the State, and the State Treasurer is authorized to designate each issue in such manner as the State Treasurer determines to be appropriate and to reduce or increase the annual principal maturities of the New Money Bonds of each issue in such a manner as the State Treasurer determines is in the best interests of the State.

Further Resolved: that the sale of the New Money Bonds may be made on a negotiated basis to a syndicate of underwriters selected by the State Treasurer (such manner of sale shall be referred to herein as a “Negotiated Sale”), or on a competitive basis pursuant to an electronic bidding process (such manner of sale shall be referred to herein as a “Competitive Sale”) or on a private placement basis to a purchaser or purchasers selected by the State Treasurer (such manner of sale shall be referred to herein as a “Private Placement”); that the State Treasurer is authorized to determine the date or dates of sale of the New Money Bonds, provided that any such date is not later than June 30, 2021; that the State Treasurer is hereby authorized to determine the manner of sales of the New Money Bonds, and that the manner of sales so selected by the State Treasurer is hereby determined to be most advantageous to the State.

Further Resolved: that if the State Treasurer determines that the sale of the New Money Bonds shall be a Negotiated Sale, then the publication and distribution by the State Treasurer of a Preliminary Official Statement substantially in the form customarily provided by the State is hereby authorized; that the sale of the New Money Bonds on a negotiated basis to a syndicate of underwriters selected by the State Treasurer, at an aggregate purchase price to be determined by the State Treasurer is hereby authorized; that the State Treasurer is hereby authorized to execute and deliver a Bond Purchase Contract (“Purchase Contract”) and a final Official Statement, to the underwriters of the New Money Bonds; that such Purchase Contract and final Official Statement shall set forth the principal amount of New Money Bonds to be issued, the date of the New Money Bonds, the principal amount of the New Money Bonds maturing each year and the dates and years of such maturities, the New Money Bonds constituting the term bonds and the mandatory redemption amounts related thereto, if any, and the interest rates on the New Money Bonds, and the execution of such Purchase Contract shall constitute conclusive evidence of the approval of the State Treasurer and the approval of the Governor and Council thereof; and the State Treasurer and Governor are authorized to execute and deliver all other documents and instruments necessary or convenient in connection with the issuance of the New Money Bonds, including any amendment, supplement or update to the final Official Statement authorized hereby.

Further Resolved: that if the State Treasurer determines that the sale of the New Money Bonds shall be a Competitive Sale, then the publication and distribution of a Preliminary Official Statement and Notice of Sale, calling for electronic bids for the purchase of the New Money Bonds, each in substantially the forms customarily used by the State with such changes as the State Treasurer shall determine, are hereby authorized; that the sale of the New Money Bonds upon the terms and conditions set forth in such Notice of Sale is hereby approved; and that the State Treasurer is hereby authorized to award the New Money Bonds to the bidder or bidders offering to purchase all of the New Money Bonds, or a series or subseries thereof, or maturity or maturities thereof, at the lowest true interest cost to the State, as set forth in the Notice of Sale relating to the New Money Bonds as so modified and to execute and deliver a final Official Statement to the purchaser or purchasers of the New Money Bonds, in such form as the State Treasurer deems appropriate, and to execute and deliver all other documents and instruments necessary or convenient in connection with the issuance of the New Money Bonds.

Further Resolved: that if the State Treasurer determines that the sale of the New Money Bonds shall be a Private Placement, then the publication by the State Treasurer of a Preliminary Private Placement Memorandum in a form approved by the State Treasurer and containing such information pertaining to the State as the State Treasurer determines to be necessary or desirable for inclusion in such Preliminary Private Placement Memorandum is hereby authorized; that the sale of the New Money Bonds on a private placement basis to a purchaser or purchasers selected by the State Treasurer, at an aggregate purchase price to be determined by the State Treasurer is hereby authorized; that the State Treasurer is hereby authorized to execute and deliver a Placement Agreement (“Placement Agreement”) and a final Private Placement Memorandum, to the purchaser(s) of the New Money Bonds; that such Placement Agreement and final Private Placement Memorandum shall set forth the principal amount of New Money Bonds to be issued, the date of the New Money Bonds, the principal amount of the New Money Bonds maturing each year and the dates and years of such maturities, the New Money Bonds constituting the term bonds and the mandatory redemption amounts related thereto, if any, and the interest rates on the New Money Bonds, and the execution of such Placement Agreement shall constitute conclusive evidence of the approval of the State Treasurer and the approval of the Governor and Council thereof; and the State Treasurer and Governor are authorized to execute and deliver all other documents and instruments necessary or convenient in connection with the issuance of the New Money Bonds, including any amendment, supplement or update to the final Private Placement Memorandum authorized hereby.

Further Resolved: that the State Treasurer is hereby authorized to issue General Obligation Refunding Bonds (the “Refunding Bonds”), subject to the following paragraph, in an aggregate principal amount not to exceed \$165,000,000, to refund any of the State’s outstanding general obligation bonds (such bonds to be refunded hereinafter referred to as the “Refunded Bonds”), as determined by the State Treasurer to be in the best interests of the State, to mature on the dates and in the principal amounts, and to bear interest at the rate or rates, and to be subject to redemption, all as determined by the State Treasurer at the time of the sale of the Refunding Bonds.

Further Resolved: that the State Treasurer is hereby authorized to issue all or a portion of the Refunding Bonds in one or more series or sub-series, and at one or more times and to reduce

the aggregate principal amount of the Refunding Bonds by any amount if the State Treasurer determines that issuing the Refunding Bonds at different times or issuing such aggregate smaller amount of Refunding Bonds is in the best interests of the State; that, at or prior to the delivery of the Refunding Bonds, the State Treasurer shall execute a certificate setting forth the principal amount of Refunding Bonds to be issued, the date of the Refunding Bonds, the principal amount of the Refunding Bonds maturing each year, the dates of the maturities of the Refunding Bonds, the Refunding Bonds constituting the term bonds and the mandatory redemption amounts related thereto, if any, and the interest rates on the Refunding Bonds and the execution of such certificate shall constitute conclusive evidence of the approval of the State Treasurer and the approval of the Governor and Council thereof.

Further Resolved: that the sale of the Refunding Bonds may be made as a Negotiated Sale, as a Competitive Sale or as a Private Placement; that the State Treasurer is authorized to determine the date or dates of sale of the Refunding Bonds, provided that any such date is not later than June 30, 2021; that the State Treasurer is hereby authorized to determine the manner of sales of the Refunding Bonds, and that the manner of sales so selected by the State Treasurer is hereby determined to be most advantageous to the State.

Further Resolved: that if the State Treasurer determines that the sale of the Refunding Bonds shall be a Negotiated Sale, then the publication and distribution by the State Treasurer of a Preliminary Official Statement substantially in the form customarily provided by the State is hereby authorized; that the sale of the Refunding Bonds on a negotiated basis to a syndicate of underwriters selected by the State Treasurer, at an aggregate purchase price to be determined by the State Treasurer is hereby authorized; that the State Treasurer is hereby authorized to execute and deliver a Purchase Contract and a final Official Statement, to the underwriters of the Refunding Bonds; that such Purchase Contract and final Official Statement shall set forth the principal amount of Refunding Bonds to be issued, the date of the Refunding Bonds, the principal amount of the Refunding Bonds maturing each year and the dates and years of such maturities, the Refunding Bonds constituting the term bonds and the mandatory redemption amounts related thereto, if any, and the interest rates on the Refunding Bonds, and the execution of such Purchase Contract shall constitute conclusive evidence of the approval of the State Treasurer and the approval of the Governor and Council thereof; and the State Treasurer and Governor are authorized to execute and deliver all other documents and instruments necessary or convenient in connection with the issuance of the Refunding Bonds, including any amendment, supplement or update to the final Official Statement authorized hereby.

Further Resolved: that if the State Treasurer determines that the sale of the Refunding Bonds shall be a Competitive Sale, then the publication and distribution of a Preliminary Official Statement and Notice of Sale, calling for electronic bids for the purchase of the Refunding Bonds, each in substantially the forms customarily used by the State with such changes as the State Treasurer shall determine, are hereby authorized; that the sale of the Refunding Bonds upon the terms and conditions set forth in such Notice of Sale is hereby approved; and that the State Treasurer is hereby authorized to award the Refunding Bonds to the bidder or bidders offering to purchase all of the Refunding Bonds, or a series or subseries thereof, or maturity or maturities thereof, at the lowest true interest cost to the State, as set forth in the Notice of Sale relating to the Refunding Bonds as so modified and to execute and deliver a final Official

Statement to the purchaser or purchasers of the Refunding Bonds, in such form as the State Treasurer deems appropriate, and to execute and deliver all other documents and instruments necessary or convenient in connection with the issuance of the Refunding Bonds.

Further Resolved: that if the State Treasurer determines that the sale of the Refunding Bonds shall be a Private Placement, then the publication by the State Treasurer of a Preliminary Private Placement Memorandum in a form approved by the State Treasurer and containing such information pertaining to the State as the State Treasurer determines to be necessary or desirable for inclusion in such Preliminary Private Placement Memorandum is hereby authorized; that the sale of the Refunding Bonds on a private placement basis to a purchaser or purchasers selected by the State Treasurer, at an aggregate purchase price to be determined by the State Treasurer is hereby authorized; that the State Treasurer is hereby authorized to execute and deliver a Placement Agreement and a final Private Placement Memorandum, to the purchaser(s) of the Refunding Bonds; that such Placement Agreement and final Private Placement Memorandum shall set forth the principal amount of Refunding Bonds to be issued, the date of the Refunding Bonds, the principal amount of the Refunding Bonds maturing each year and the dates and years of such maturities, the Refunding Bonds constituting the term bonds and the mandatory redemption amounts related thereto, if any, and the interest rates on the Refunding Bonds, and the execution of such Placement Agreement shall constitute conclusive evidence of the approval of the State Treasurer and the approval of the Governor and Council thereof; and the State Treasurer and Governor are authorized to execute and deliver all other documents and instruments necessary or convenient in connection with the issuance of the Refunding Bonds, including any amendment, supplement or update to the final Private Placement Memorandum authorized hereby.

Further Resolved: that in connection with the issuance of the Refunding Bonds the State Treasurer is hereby authorized to execute and deliver a Refunding Trust Agreement with a bank or trust company, as Trustee and Paying Agent, in such form as such officer deems appropriate, and the State Treasurer and Governor are authorized to execute and deliver all other documents and instruments necessary or convenient in connection with the issuance of the Refunding Bonds.

Further Resolved: that the State Treasurer is hereby authorized to obtain municipal bond insurance for either or both of the New Money Bonds and the Refunding Bonds (hereinafter collectively, the "Bonds") if the State Treasurer deems it advantageous to the State, and to execute and deliver any documents and instruments necessary or convenient in connection with the issuance of any such municipal bond insurance policy.

Further Resolved: that the State Treasurer is hereby authorized to issue all or a portion of the Bonds on a federally taxable basis, or on a federally tax-exempt basis, all as determined by the State Treasurer to be most advantageous to the State.

Further Resolved: that if the Bonds or any portion thereof are to be issued on a federally tax-exempt basis, the State Treasurer is authorized to covenant on behalf of the State that the State will pay any rebate due to the United States in connection with the issuance of such Bonds, and that the State will take all lawful action necessary to comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of

such Bonds in order that interest on such Bonds be or continue to be excluded from gross income for federal income tax purposes and it will refrain from taking any action that would cause interest on such Bonds to become included in gross income for federal income tax purposes.

Further Resolved: that the Bonds shall be issued in substantially the following form, with such changes as the State Treasurer and the Governor may deem appropriate, including, without limitation, series designation, redemption provisions, including mandatory sinking fund redemption provisions, if any, and interest rate provisions, all in accordance with the terms determined by the State Treasurer:

R-\_\_

\$\_\_\_\_\_

United States of America

STATE OF NEW HAMPSHIRE

GENERAL OBLIGATION [CAPITAL IMPROVEMENT][REFUNDING] BOND  
20\_\_ SERIES \_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Original Issue Date</u>
__%	[_____], ____	_____	[_____], 20__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The State of New Hampshire (the "State"), for value received, promises to pay to the Registered Owner of this bond or registered assigns the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date unless this bond is called for earlier redemption, upon presentation and surrender hereof, with interest (calculated on the basis of a 360-day year of twelve 30-day months) at the Interest Rate per annum, payable semiannually on [\_\_\_\_\_] and [\_\_\_\_\_] of each year, commencing \_\_\_\_\_, 20\_\_ (each, an "Interest Payment Date") until the Principal Amount is paid or has been duly provided for. This bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the Original Issue Date. The record date for the payment of interest on this bond [shall be the last business day of the month preceding an interest payment date.] [shall be the fifteenth day of the month preceding an interest payment date; provided that if such date is not a business day, the Record Date shall be the next succeeding business day.]

This bond is one of a series of \$\_\_\_\_\_ aggregate principal amount issued by the State pursuant to Chapter 6-A of the New Hampshire Revised Statutes Annotated for [various capital improvements][the refunding of outstanding bonds of the State] and for other public purposes. The bonds are issuable only in fully registered form in the denomination of five thousand dollars (\$5,000) or any integral multiple thereof.

The bonds are general obligations of the State and the full faith and credit of the State is pledged for the payment of principal of and interest on the bonds as the same shall become due and payable.

[The bonds are being issued by means of a book entry system, with bond certificates immobilized at The Depository Trust Company, New York, New York ("DTC") evidencing ownership of the bonds in principal amounts of five thousand (\$5,000) or integral multiples thereof, and with transfers of beneficial ownership effected on the records of DTC and its



participants pursuant to rules and procedures established by DTC. Bond certificates are not available for distribution to the public.] The principal or redemption price, if any, of and interest on this bond are payable by The Bank of New York Mellon Trust Company, N.A., or its successor, as paying agent (the "Paying Agent") for the State, to the Registered Owner of this bond[, as nominee of DTC. Transfer of principal, redemption price, if any, and interest payments to participants of DTC is the responsibility of DTC; transfer of principal, redemption price, if any, and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The State is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.]

[In the event that (a) DTC determines not to continue to act as securities depository for the bonds or (b) the State Treasurer determines that continuation of the book entry system of evidence and transfer of ownership would adversely affect the interests of the beneficial owners of the bonds, the State will discontinue the book entry system with DTC. If the State fails to identify another qualified securities depository to replace DTC, the Paying Agent will authenticate and deliver replacement bonds in the form of fully registered certificates.]

This bond is transferable only upon the books of the State which shall be kept for such purpose by the Paying Agent. [This bond may not be transferred or exchanged in a manner which would involve the delivery of bond certificates to the beneficial owners of bonds unless the book entry system has been discontinued by the State in accordance with the preceding paragraph, in which case replacement bonds may be issued in accordance with law and such procedures as the State Treasurer shall deem appropriate.]

[The bonds of this series (except the bonds maturing on or before [\_\_\_\_], 20\_\_, which are not subject to redemption prior to maturity) are redeemable prior to maturity on or after [\_\_\_\_], 20\_\_ at the option of the State, as a whole or in part at any time with maturities to be designated by the State (and by lot within any maturity), at a price equal to the principal amount to be redeemed (without premium), plus accrued interest to the redemption date.] [The bonds of this series are not subject to redemption prior to maturity.]

[The bonds of this issue maturing on [\_\_\_\_], 20\_\_ [and \_\_\_\_\_, 20\_\_] (the "Term Bond[s]"), unless called for earlier redemption as provided above,] shall be retired in part prior to maturity by mandatory serial redemptions in the principal amounts specified below, at a price equal to the principal amount to be redeemed (without premium) plus accrued interest to the redemption date:

<u>Date</u>	<u>Principal Amount</u>
<u>                    </u> , 20__	\$
<u>                    </u> , 20__	
<u>                    </u> , 20__ (maturity)	

Term Bond due [\_\_\_\_], 20\_\_

<u>Date</u>	<u>Principal Amount</u>
_____, 20__	\$
_____, 20__	
_____, 20__] (maturity)	

The State may purchase all or any portion of the Term Bond[s] from any available funds at a price not exceeding par and accrued interest. The State Treasurer may credit against any mandatory redemption requirement Term Bond[s] of the maturity then subject to redemption which have been purchased and canceled by the State or have been redeemed and not theretofore applied as a credit against any mandatory redemption requirement.]

In the event any bonds are called for redemption, notice will be sent by registered mail not more than sixty (60) days nor less than thirty (30) days prior to the redemption date to the registered owner of such bonds, as nominee of DTC. It will be the responsibility of DTC and its participants to give notice of the redemption to beneficial owners of the bonds to be redeemed. With respect to the redemption of any such bond, failure to mail notice to the registered owner of any other bond, any defect in the notice to the registered owner of any other bond, or failure by DTC and its participants to provide notice of redemption to the beneficial owners of such bond will not affect the redemption of such bond. The redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption, in a separate account established by the State for such purpose no later than the redemption date, or that the State may rescind such notice at any time prior to the scheduled redemption date if the State Treasurer delivers a notice thereof to the registered owner of the Bonds. The redemption notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded, and the failure of the State to make funds available in whole or in part on or before the redemption date shall not constitute a default. Notice of redemption having been given as aforesaid, the bonds to be redeemed, or the portions called for redemption, will become due and payable on the redemption date at the applicable redemption price and, moneys for the redemption having been deposited with the Paying Agent, from and after the date fixed for redemption interest on such bonds, or such portions, will no longer accrue.

With respect to any bond subject to redemption, portions of the principal amount of such bond in the amount of five thousand dollars (\$5,000) or any multiple thereof may be redeemed. In the event of such a partial redemption, the identity of the beneficial owners whose beneficial interests in any such bond to be redeemed and the amount of any such redemption shall be determined by DTC and its participants by lot in such manner as DTC and its participants shall deem appropriate. If less than all of the principal amount of any bond is to be redeemed, upon surrender of such bond to the Paying Agent there will be issued to the registered owner, without charge, a new bond for the unredeemed principal sum.]

[The State hereby covenants that it will take all lawful action necessary to comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest on the bonds be and continue to be excluded from gross income for federal income tax purposes and it will refrain from taking any

action that would cause interest on the bonds to become included in gross income for federal income tax purposes.]

In connection with the offering of the bonds the State has executed a Continuing Disclosure Certificate (as it may be amended from time to time, the "Certificate"). The State hereby covenants to comply with the provisions of the Certificate, and reference is made to the Certificate for a description of the nature and extent of the obligations of the State and the rights of the owners of the bonds under the Certificate. The Certificate is described in the Official Statement relating to the bonds. A copy of the Certificate is available from the State Treasurer upon request.

This bond will not be valid unless the Certificate of Paying Agent has been signed by the Paying Agent.

STATE OF NEW HAMPSHIRE

Date of  
Registration:

[\_\_\_\_], 20\_\_

By: \_\_\_\_\_  
[Commissioner of the Treasury/State Treasurer]

Countersigned:

By: \_\_\_\_\_  
Governor

Attest:

\_\_\_\_\_  
Secretary of State

Certificate of Paying Agent

This is one of the bonds described in the opinion attached to this bond, which is a true copy of the original opinion dated as of the date of original delivery of the bonds of this series.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

By: \_\_\_\_\_  
Authorized Officer

LEGAL OPINION

The following opinion is based on facts and the law existing on the date of original delivery of the bonds described therein.

[LOCKE LORD LLP LETTERHEAD]

The Honorable Monica I. Mezzapelle  
[Commissioner of the Treasury]  
State House Annex  
Concord, New Hampshire 03301

[\$ \_\_\_\_\_]  
General Obligation [Capital Improvement][Refunding] Bonds, 20\_\_ Series \_\_  
Dated Date of Delivery

We have acted as Bond Counsel to the State of New Hampshire (the “State”) in connection with the issuance by the State of the above-referenced bonds (the “Bonds”). In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon representations and covenants of the State contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on this examination, we are of the opinion, under existing law, as follows:

1. The Bonds are valid and binding general obligations of the State, and the full faith and credit of the State are pledged for the punctual payment of the principal of and interest on the Bonds.
2. The interest on the Bonds is exempt from the New Hampshire personal income tax on interest and dividends. We express no opinion as to other New Hampshire tax consequences arising with respect to the Bonds or any tax consequences arising with respect to the Bonds under the laws of any state other than New Hampshire.
3. [Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We call your attention to the fact that failure by the State to comply subsequent to the issuance of the Bonds with certain requirements of the Internal Revenue Code of 1986 (the “Code”) may cause interest on the Bonds to become includable in the gross income of the owners of the Bonds for federal income tax purposes retroactive to the date of issuance of the Bonds. The State has covenanted to take all lawful action necessary under the Code to ensure that interest on the Bonds will

remain excluded from the gross income of the owners of the Bonds for federal income tax purposes and to refrain from taking any action which would cause interest on the Bonds to become included in such gross income.] [Interest on the Bonds is included in the gross income of the owners of the Bonds for federal income tax purposes.] We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Bonds and the enforceability of the Bonds may be subject to insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

/s/ Locke Lord LLP