



**STATE BOND COMMISSION**

**STATE OF LOUISIANA**

**SOLICITATION FOR OFFERS AND REQUEST FOR  
QUALIFICATIONS FOR:  
UNDERWRITING SERVICES  
AND  
REQUEST FOR QUALIFICATIONS AND EXPRESSIONS  
OF INTEREST IN PROVIDING:  
LIQUIDITY FACILITIES AND LETTERS OF CREDIT**

Release Date:

**December 20, 2019**

Deadline for Submission:

**January 22, 2020**

## I. OVERVIEW

The Louisiana State Bond Commission (the “Commission”) on behalf of the State of Louisiana (the “State”) seeks to review the qualifications of firms who desire to be Senior Managers and Co-Managers in the negotiated sale and issuance of various State debt obligations listed below (“State Credits”) through December 31, 2022. In addition, the review of these qualifications may also apply for the development and issuance of obligations for any new borrowing programs established after the completion of this solicitation process.

This solicitation also seeks expressions of interest and indicative pricing for Letters of Credit and/or Standby Bond Purchase Agreements (“SBPA’s”) for potential Variable Rate Demand Obligations (“VRDO’s”). Firms wishing to respond to this portion of the Solicitation for Offers and Request for Qualifications (the “Solicitation”) who do not seek to be appointed as Senior Managing or Co-managing Underwriters should follow the instructions under “C. Credit Facility Support for Variable Rate Transactions” in Exhibit 2. Further, firms expressing interest in providing credit facilities for VRBO’s who seek to serve as remarketing agent for the series of VRBO’s which they enhance, but do not seek to be appointed to the Commission’s underwriting pool for other transactions should complete Exhibit 2C regarding remarketing agent qualifications.

As used in this Solicitation, the term “State Credits” includes the following:

1. General Obligation Refunding Bonds
2. Gasoline and Fuels Tax Bonds
3. State Highway Improvement Bonds
4. Unclaimed Property Bonds

New money General Obligation Bonds, in the approximate amount of \$350,000,000 will be sold on a competitive basis between February and March 2020, and will not be in the scope of work for the team selected via this Solicitation. Further, the issuance of Grant Anticipation Revenue Vehicles, which the Commission also manages, will not be in the scope of this Solicitation as underwriters have already been selected in a previous solicitation.

As a result of this Solicitation, one or more pools of qualified investment banking firms will be established. These pools may be used for designating underwriting syndicate(s) for a period extending through December 31, 2022. After the underwriting pool is selected, the State will establish the syndicate structure for individual future transactions based on its needs. The State may establish a rotation structure, but may also request transaction-related proposals for the purpose of specific future transaction assignments.

At its discretion, the Commission may terminate or extend the pools at any time prior to December 2022 and periodically update the pools of underwriters, including the addition of firms that may submit their qualifications after the initial deadline. Expiration of the underwriting pool will not affect any previously designated syndicate(s) with which there are active negotiations for a bond sale. The Commission may designate more than one Senior Manager for each underwriting syndicate selected. On an issue-by-issue basis, the State may designate different, multiple, or “rotating” Book-Running Senior Managers. Alternatively, it may keep the same Book-Running Senior Manager for consecutive transactions. As part of selecting the underwriting syndicate(s), the Commission may also appoint Co-Managers and selling group members.

No joint responses will be accepted. Firms may propose as Book-Running Senior Manager or Co-Managing Underwriter for any or all of the State’s Credits. Any firm proposing as Book-Running Senior Manager will be assumed also to be proposing for Co-Managing Underwriter positions. All firms submitting responses to the Solicitation will also be considered for roles in the Commission’s selling group, as applicable. Clearly state in the transmittal letter of your proposal for which position your firm is applying.

This Solicitation seeks to provide the Commission with a fair and competitive process to select firms for the services more fully described herein. The State reserves the right to proceed with one or more transactions with one or more firms as well as to not proceed with any transaction. Within this Solicitation, prospective firms will sometimes be referred to as “offerors”, “respondents” or, when convenient and appropriate, addressed in the second person as “you”, “your” and “yours”.

The prospective firms chosen on the basis of their respective offers in response to this Solicitation will be employed by the Commission and will act on behalf of the State in all matters undertaken in connection with the proposed plan of financing. The successful respondents will report directly to the Commission and the Selection Sub-Committee and will work with the Commission to develop the proposed plan of financing. Efforts of the firms employed will be coordinated by the Director of the Commission.

The Commission reserves, without limitation, the right to: reject any and all proposals received in response to this Solicitation; not make an underwriter appointment; make selections without conducting interviews or other discussions with proposers; conduct discussions with one or more proposers; and to cancel the Solicitation at any time. No proposer shall have any rights against the Commission as a result of any such decisions. The Commission also reserves the right to waive strict compliance with this Solicitation if the Commission, in its sole judgement, determines that such non-compliance does not have a significant adverse effect on the competitive process and that a waiver is in the best interests of the Commission.

## **II. BACKGROUND AND OBJECTIVE**

The State expects to execute several transactions before the end of Fiscal Year 2020. New money General Obligation Bonds, in the approximate amount of \$350,000,000 will be sold on a competitive basis between February and March 2020, and will not be in the scope of work for the team selected via this Solicitation. In addition, the following transactions are expected, which will be referred to as the “FY 2020 Transactions”, and are the subject of this Solicitation. As discussed above, under “Overview”, the underwriting team selected may be engaged by the state to underwrite additional transactions for a period extending through December 31, 2022.

### **FY 2020 Transactions:**

#### **1. April 2020**

Refunding/Conversion of Variable Rate Gasoline and Fuels Tax Second Lien Bonds, Series 2017A, 2017D-1, and 2017D-2, (LIBOR Index) (the “Gasoline and Fuels Series 2017 Bonds”):

- a. Revenue Refunding Series 2017A, \$200,000,000 (mandatory tender on May 1, 2020);
- b. Revenue Refunding Series 2017D-1, \$103,125,000 (mandatory tender on December 1, 2020);
- c. Revenue Refunding Series 2017D-2, \$121,250,000 (mandatory tender on December 1, 2020).

See section A. below for additional information.

#### **2. As Soon as Possible**

Fixed Rate Refundings, subject to market conditions (the “Fixed Rate Refundings”):

- a. General Obligation Refunding Bonds;
- b. Gasoline and Fuels Tax Revenue Refunding Bonds, 1<sup>st</sup> and 2<sup>nd</sup> Liens

See section B. below for additional information.

## **A. Refunding/Conversion of Gasoline and Fuels Series 2017 Bonds**

The purpose of the proposed plan of financing is to refund/refinance/remarket outstanding Gasoline and Fuels Series 2017 Bonds, in a form that is most economical and considers (a) administrative efficiency and forecast complexity, (b) the complete portfolio of outstanding fixed and variable rate Gasoline and Fuels Tax Bonds, (c) the market-wide transition away from LIBOR, and (d) the potential novation, replacement and/or modification of existing interest rate hedge agreements.

Although a portion of the Gasoline and Fuels Series 2017 Bonds are due to be redeemed prior to May 1, 2020, the commission intends to refund/refinance/remarket all of the Gasoline and Fuels Series 2017 Bonds simultaneously prior to May 1, 2020.

The State has a number of available alternatives regarding the Gasoline and Fuels Series 2017 Bonds, which fall into the following broad categories or combinations thereof:

- Retaining the synthetic fixed-rate structure, while addressing the issues related to LIBOR;
- Converting some or all of the debt to a long term tax-exempt fixed rate, terminating the related interest rate swap agreements, and financing the termination payment with taxable debt;
- Terminating some or all of the swaps, issuing unhedged floating rate debt, and financing the termination payment with taxable debt.

It is expected that due to tax issues, any swap termination payments may have to be funded with taxable bonds. Offerors should assume that any termination payment would need to be financed on a taxable basis.

The Commission wishes to accomplish the refunding/refinancing/remarketing as expeditiously as possible and obtain the lowest possible interest rates in the refinancing while considering the uncertainty, complexity and management of the variable rate bonds and swap agreements. Alternative proposals that contain an undertaking to continue to use financial hedges or derivative products may be considered; however, any extension of maturity will not be considered.

Attached in Exhibit 6 is a summary of the State's Gasoline and Fuels Tax Debt, including interest rate hedge agreements. For additional background information, refer to the State of Louisiana-State Bond Commission's homepage on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") <https://emma.msrb.org/>. The latest Official Statement dated issued in relation to the Gasoline and Fuels Tax First and Second Lien Revenue Refunding Bonds is dated August 30, 2017 and was issued in connection with the sale of Series 2017B and 2017C bonds. In addition, the annual financial disclosures include updated information specific to the Gasoline and Fuels Tax Bonds. A complete set of the legal documents related to the security for the Gasoline and Fuels Tax First and Second Lien Revenue Bonds, including all pertinent Bond Resolutions, Collection and Allocation Agreement, Cooperative Endeavor Agreement and Swap Confirmations, was posted on EMMA on December 4, 2017 under the "Event-Based Documents" tab. Note that the Bank of New York ("BONY") swaps terminate at market on May 1, 2022. Please see Exhibit 5 for information on the market-to-market of the swaps as of November 29, 2019.

## **B. Fixed Rate Refundings**

The State plans to consider separate transactions to refund a portion of the outstanding (a) General Obligation Bonds and (b) Gasoline and Fuels Tax Bonds, both subject to market conditions and the associated debt service savings. At least a portion of the refundings will likely need to be funded with taxable bonds or some other approach to address IRS rules governing tax-exempt bonds. The State seeks to maximize present value savings, while also considering the trade-offs involved with respect to potential future savings upon the call date of the bonds. In addition, the State Constitution and Commission policy requires that any General Obligation refunding result in the same or effective lower effective interest rate than the refunded bonds. An extension of the debt to be refunded will not be acceptable.

Further, the refunding test in the Gasoline and Fuels Tax Bonds generally requires positive savings in aggregate debt service in each bond year during which the refunding bonds are outstanding. To the extent that a refunding structure does not meet this test, debt must be refinanced with new money bonds subject to the Additional Bonds Test. The Commission prefers to avoid structures that increase debt service in any bond year.

### III. FINANCING TEAM

Underwriters selected via this Solicitation are expected to perform the following general duties:

Senior Manager: book runner; leader of the underwriting syndicate; pricing coordinator; responsible for marketing of the issue; structuring the financing; determining credit enhancement alternatives; compliance with disclosure standards; investor liaison; and all related conventional roles for senior manager.

Co-Senior Manager: (If deemed necessary) will coordinate with Senior Manager.

Co-Manager: (If deemed necessary) assisting in marketing the issue and in providing discrete “niches” in the marketing of the Bonds.

The Attorney General serves as the State’s legal advisor, assisted by outside Co-Bond Counsel. Lamont Financial Services Corp serves as the State’s municipal advisor.

### IV. TERM OF APPOINTMENT

In accordance with this Solicitation, one or more pools of qualified investment banking firms will be established. These pools may be used for designating underwriting syndicate(s) for a period extending through December 31, 2022. The Commission may terminate or extend the pools at any time prior to this date.

Any financing team(s) chosen in connection with this Solicitation may be appointed to begin work immediately upon notification of their selection for a specific financing and should be available to continue to provide the services until the financing is complete. The State expects to close transactions in Fiscal Year 2020; however, the State reserves the right to adjust the financing schedule as may be in the best interest of the State. Any team must be prepared to move expeditiously if desired by the Commission.

### V. PRELIMINARY TIMETABLE (subject to change)

December 20, 2019		Publish Solicitation
January 7, 2020	2:00 pm	Questions Regarding Solicitation Due
January 10, 2020		Post Answers to Questions
January 22, 2020	2:00 p.m.	Proposals Due
February 20, 2020	10:00 a.m.	Recommendation and Selection

### VI. INQUIRIES

The Director of the Commission will answer any inquiries from firms interested in making offers in response hereto. All inquiries must be submitted via email and received no later than **2:00 p.m., Baton Rouge Time on Tuesday, January 7, 2020 by the following:**

Lela M. Folse, State Bond Commission  
Email: [lfolse@treasury.la.gov](mailto:lfolse@treasury.la.gov)

State Bond Commission Issues Inbox  
Email: [SBC-BondIssues@treasury.la.gov](mailto:SBC-BondIssues@treasury.la.gov)

Respondents are solely responsible for both the timely transmission and receipt of inquiries. Answers to such inquiries will be posted on the Commission's website at <https://www.treasury.la.gov/state-bond-commission> and sent to each inquiring firm and to all firms which received a copy of this Solicitation via email no later than Friday, January 10, 2020. **Respondents are not to contact any State employees, officials or consultants regarding any aspect of this Solicitation except through this inquiry process.**

## VII. INSTRUCTIONS FOR PRESENTATION OF OFFER

Responsive offers must follow the page limits set in Exhibit 1 "Required Components of Proposals" section below and typed in a font size no less than 12 points. Firms that submit proposals in excess of the page limits or which use a smaller font size set may be disqualified.

All questions should be answered in the order presented. Initiate each response by restating the question. **No promotional material is to be included.**

Firm responses must be bound in one volume, and electronic copies will not be accepted. One (1) copy in an electronic format (Word/WordPerfect/PDF) on a CD or USB, plus eight (8) copies of the offer, each separately sealed in individual envelopes and bearing a label stating the name and address of the respondent, identifying this Solicitation, should arrive by **2:00 P.M., Baton Rouge time on Wednesday, January 22, 2020**. Proposals should be delivered to:

Lela M. Folse, Director  
State Bond Commission  
State Capital Building, 3<sup>rd</sup> Floor  
P.O. Box 44154  
900 North Third Street  
Baton Rouge, LA 70804  
Telephone: 225-342-0040

## VIII. COST INCURRED IN PREPARATION OF OFFER

All costs directly or indirectly related to preparation of an offer responding to this Solicitation, any oral presentations required to supplement and/or clarify an offer, and any reasonable appearance which may be required by the Selection Sub-Committee or the Commission in connection with this Solicitation, shall be the sole responsibility of the respondent. The State will not pay any fees or expenses to the firm(s) selected in the event that any anticipated financing is not completed.

## IX. COMPETITIVE SELECTION, EVALUATION CRITERIA AND PROCESS

Proposals will be evaluated by a Selection Sub-Committee of the Commission comprised of the Treasurer, the Commissioner of Administration, President of the Senate, Speaker of the House, Attorney General and Secretary of the Department of Transportation and Development, or their designees, and shall provide a recommendation for award to the full State Bond Commission. The State Bond Commission's decision will be made on the basis of the "best proposal" in their discretion. The Sub-Committee will use the evaluation criteria described below.

The evaluation of submissions to the Solicitation will be a two-step process. First, the Commission will select a pool for the period through December 31, 2022 and, second, the Commission

will select underwriters for the Fiscal Year 2020 Transactions from that pool. Consideration is expected to be given, but is not guaranteed to be given, to the criteria described below.

**1. Underwriting Pool Selection**

	<b><u>Criteria</u></b>	<b><u>Weight</u></b>
A.	Firm Qualifications and Relevant Experience of Proposed Professional Team	40%
B.	Distribution Capability and Track Record	40%
C.	Previous Coverage and Services to the State	20%

See Exhibit 1 for the requested proposal submissions for pool selection. Exhibit 1 must be completed by each respondent seeking to serve as Senior Managing Underwriter and Co-Manager.

**Fiscal Year 2020 Transactions**

The State will select underwriters for the upcoming Fiscal Year 2020 Transactions based on the additional criteria below. This section is to be addressed by firms wishing to be considered for senior manager or co-senior manager (if deemed necessary). Firms wishing to be considered solely for a co-manager position need not respond to this section.

**2. Refunding/Conversion of the Variable Rate Gasoline and Fuels Series 2017 Bonds**

	<b><u>Criteria</u></b>	<b><u>Weight</u></b>
A.	Proposed Bond Structure; Identification of Specific Issues Relevant to Structuring the Transaction/Program	85%
B.	Fees for services	15%

See Exhibit 2 for the requested proposal submissions for the refunding/conversion of Variable Rate Gasoline and Fuels Series 2017 Bonds.

**3. Fixed Rate General Obligation Refunding Bonds**

	<b><u>Criteria</u></b>	<b><u>Weight</u></b>
A.	Proposed Bond Structure; Identification of Specific Issues Relevant to Structuring the Transaction/Program	85%
B.	Fees for services	15%

See Exhibit 3 for the requested proposal submissions for Fixed Rate General Obligation Refunding Bonds.

**4. Fixed Rate Gasoline and Fuels Tax Revenue Refunding Bonds, 1<sup>st</sup> and 2<sup>nd</sup> Liens**

	<b><u>Criteria</u></b>	<b><u>Weight</u></b>
A.	Proposed Bond Structure; Identification of Specific Issues Relevant to Structuring the Transaction/Program	85%
B.	Fees for services	15%

See Exhibit 4 for the requested proposal submissions for Fixed Rate Gasoline and Fuels Tax Revenue Refunding Bonds, 1<sup>st</sup> and 2<sup>nd</sup> Liens.

The Commission reserves the right to act without oral presentations or other discussions with respondents. Therefore, all offers should be submitted on the most favorable terms. However, if oral presentations are required for the selection of senior and/or co-senior managing underwriter a maximum of 20 additional points will be assigned to the oral presentation. By submitting responses to this Solicitation,

respondents agree that they will be present at any meetings of the Commission when such presence is requested by the Commission or the Chairman.

The Selection Sub-Committee of the Commission and/or the Commission may reject any and all offers, may require additional technical and background information during the evaluation period, and/or negotiate all elements, including fees, which are contained in or which relate to any offer. By submitting an offer, the respondent agrees to these terms.

The State shall not be liable for any expenses incurred by the respondent in the preparation and presentation of the offers and may terminate the selection process at any time without prior notice. All offers submitted pursuant to this Solicitation will become the property of State. The State will not pay any fees or expenses to the firm(s) selected in the event that any anticipated financing is not completed. The State reserves the right to waive any informality in any offer. The State reserves the right to negotiate all fees and expenses.

## **X. ADDENDA, SUPPLEMENTS AND AMENDMENTS TO SOLICITATION**

In the event that it becomes necessary to revise any part of the Solicitation, an addendum, supplement, or amendment to the Solicitation will be posted at the Commission's website at:

<https://www.treasury.la.gov/state-bond-commission>

It is the responsibility of the proposer to check the website for any addendums, supplements, or amendments made to the Solicitation.

## **XI. INDEPENDENT REGISTERED MUNICIPAL ADVISOR EXEMPTION**

The Commission has retained Lamont Financial Services Corporation as its Independent Registered Municipal Advisor. For the purpose of complying with the Independent Registered Municipal Exemption to the Securities and Exchange Commission's Municipal Advisor Rule, the Commission has publicly disclosed such information on its' website at:

<https://www.treasury.la.gov/blank>

## **XII. SEVERABILITY**

Unless otherwise specifically provided therein, the provisions of this Solicitation are severable. If any one or more of the provisions of this Solicitation is declared to be invalid, such invalidity shall not affect other provisions, items, or applications, which can be given effect without the invalid provision, item or application. Such invalid provision or provisions shall be deemed severable from the remaining provisions of the Solicitation.

**OTHER THAN WITH RESPECT TO INQUIRIES REGARDING LEGAL OR STRUCTURAL MATTERS RELATING TO THE PROPOSED FINANCINGS AS SET FORTH UNDER "INQUIRIES" ABOVE, RESPONDENTS (INCLUDING ANY REPRESENTATIVE OF AN RESPONDENT, SUCH AS A LAWYER OR A LOBBYIST) MAY NOT CONTACT, UNDER ANY CIRCUMSTANCES, DURING THE OFFER, REVIEW AND SELECTION PROCESS, ANY OFFICIAL, EMPLOYEE OR REPRESENTATIVE OF THE STATE REGARDING ANY ASPECT OF THE SOLICITATION FOR OFFERS OR THE PROPOSED FINANCINGS. ANY VIOLATION OF THIS REQUIREMENT WILL RESULT IN DISQUALIFICATION OF YOUR OFFER. ALL DISQUALIFICATION DECISIONS ARE FINAL.**



**EXHIBIT 1**  
**Underwriting Pool Selection**

Must be Completed by All Respondents Seeking to be Appointed to the Underwriting Pool

Please note and observe the page limits stated at the end of each required inquiry shown below. Please also note that when providing the information requested in this section, you should also refer to Section VII, Instructions for Presentation of Offer. Each offer, for Senior Managing Underwriter and Co-Manager, intended to be responsive to this Solicitation must answer all of the following inquiries:

**A. Firm Qualifications and Relevant Experience of Proposed Professional Team. PAGE LIMIT: 6 PAGES**

1. State the position(s) your firm is applying for: senior managing underwriter or co-manager. Identify the individual who will be both a member of the financing team and who is capable of committing the firm’s capital and negotiating all fees and costs. State succinctly the top two reasons why your firm should be included in the underwriting pool and hired for the position for which you are applying, keeping in mind the specific qualifications required and described in this Solicitation.
  
2. Describe your firm by providing its full legal name, date of establishment, type of entity, current firm ownership structure and any recent or materially significant proposed changes in ownership since January 1, 2015. If you wish to be identified by additional characteristics, such as size (e.g. regional firm), ownership (e.g. minority), or other material or relevant characteristics you would like the State to consider, please so state.
  
3. List the long-term negotiated new money and refunding bond issues for which your firm has served as senior managing underwriter or co-senior manager for all issues over \$150 million since January 1, 2017, including issues not yet completed but for which your firm has been selected as senior managing underwriter or as co-senior. Highlight bonds issued by states, state-level issuers and transportation issues. Indicate the names of up to 4 of the firm’s professionals who worked on such transactions and briefly describe each professional’s specific role. For completed issues, add a column stating the amount of each issue listed that your firm had to underwrite and take into inventory within the first week after pricing. Use the format of the chart below. Indicate the date, issuer, type of bonds (GO, Tax-supported, Appropriation-dependent, Revenue, etc.), total par amount of issue and unsold bonds, underwritten balance, book-running senior manager, co-senior, banker and other team members. **LISTING OF ISSUES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**

Date	Issuer	New Money or Ref	Type of Bonds	Total Par Amt of Issue (\$000)	Total Par Amt of Unsold Bonds (\$000)	Underwritten Balance (\$000)	Book-Running Senior Manager Y/N	Co-Senior Y/N	Lead Banker & Role	Other Members of Team & Roles (up to 3)

4. List the long-term negotiated Taxable Fixed-Rate bond issues for which the firm has served as book-running senior managing underwriter or co-senior manager since January 1, 2017, including issues not yet completed but for which your firm has been selected as book-running senior managing underwriter or as co-senior. Indicate whether your firm was the book-running manager. Identify which issues were refunding transactions. Provide the name of the lead investment banker and the underwriter for the transaction. Use the format of the chart below. Use the format of the

chart below. Indicate the date, issuer, type of bonds (GO, Tax-supported, Appropriation-dependent, Revenue, etc.), total par amount of issue and unsold bonds, underwritten balance, book-running senior manager, co-senior, banker and other team members. **LISTING OF ISSUES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**

Date	Issuer	New Money or Ref	Type of Bonds	Total Par Amt of Issue (\$000)	Total Par Amt of Unsold Bonds (\$000)	Underwritten Balance (\$000)	Book-Running Senior Manager Y/N	Co-Senior Y/N	Lead Banker & Role	Other Members of Team & Roles (up to 3)

5. List the Floating Rate Notes (the “FRN”) for all issues over \$25 million for which your firm has served as senior managing underwriter since January 1, 2017. Indicate the index for each FRN. **LISTING OF ISSUES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**
6. Remarketing Agent Experience: Using Exhibit 2C, provide the total number of issues and volume of bonds for which your firm has served as remarketing agent for variable rate demand obligations annually since January 1, 2017. For the 20 largest issues (based on peak remarketing amounts), provide the issuer name, the security, the peak amount of bonds remarketed, and the name of the bank providing the liquidity support. Identify transactions for securities that had not been offered in a VRDO mode prior to your appointment as remarketing agent, or which had not been offered as VRDOs for at least five years prior to when you were appointed.
7. List the long-term negotiated new money and refunding bond issues for which your firm has served as co-manager since January 1, 2017, including issues not yet completed but for which your firm has been selected as co-manager. **LISTING OF ISSUES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**
8. Describe your firm’s commitment to public finance, particularly over the next 24 months. Please state your commitment that your firm will remain in the public finance sector for the period extending through December 31, 2022. Describe the status and timing of any announced mergers with, or acquisitions of, any other firm that could impact the firms’ engagement with the State.
9. Describe your firm’s commitment to Louisiana by highlighting the number of offices you maintain in the State and the number of employees you have in Louisiana.
10. How much uncommitted excess net capital is currently allocated to support public finance and was allocated in 2017, 2018 and 2019?
11. Reference your firm’s most recent annual financial statement and 10-K Reports which may be viewed electronically. Provide current net capital information on your firm, a recital that your firm has complied over that same period with the Securities Exchange Commission’s Uniform Net Capital Rule and identify any capital constraints within your firm which your firm may apply to the underwriting of any of the State’s Credits. **ANNUAL FINANCIAL and 10-K REPORTS CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**
12. Give a brief but complete description of any criminal proceeding, criminal investigation, or other oversight entity’s investigation of alleged securities laws violations involving your firm (all areas of the firm) or any professionals in your firm who would be involved in this financing. Please cover the period January 1, 2015 through the present. Include investigations undertaken by the

SEC, state blue-sky commissions, the U.S. Department of Justice and the Internal Revenue Service pursuant to the IRC Section 6700 and if your firm or any professionals in your firm are a party to any securities litigation or arbitration, or are the subject of a subpoena in connection with a municipal securities litigation investigation. Include any such investigations which concluded in an enforcement or disciplinary action ordered or imposed and a description of those actions. **ADDITIONAL INFORMATION CAN BE PROVIDED VIA ELECTRONIC LINK.**

13. Review Rule No. 1993-A of the State Bond Commission entitled “Disclosure Agreements Between Financial Professionals for Negotiated Transactions”, which is attached to this Solicitation as Exhibit 5, and recite your firm’s agreement to comply therewith.
14. Certify that your firm is not engaging in a boycott of Israel and it will, for the duration of its engagement, refrain from a boycott of Israel.

By submitting a response to this solicitation, the proposer certifies and agrees that the following information is correct: In preparing its response, the proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with specific intent to accomplish a boycott or divestment of Israel. The proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions.

The State reserves the right to reject the response if this certification is subsequently determined to be false, and to terminate the engagement if the firm engages in a boycott of Israel during the term of the engagement.

15. Certify whether your firm, either itself or through its parent company has policies that: (a) Restrict or would otherwise infringe on the constitutionally protected rights of the citizens of the State to lawfully keep and bear arms, (b) Discriminate against citizens based on the citizens’ exercise of their constitutional rights, or (c) Otherwise unlawfully discriminate against citizens of the State.

The State reserves the right to reject the response if this certification is subsequently determined to be false, and to terminate the engagement if the firm, either itself or through its parent company engages in policies that restrict or would otherwise infringe upon the rights of citizens of the State to lawfully keep and bear arms, including the right to purchase and sell arms.

16. Disclose any conflicts of interest or potential conflicts of interest that may arise as a result of your firm’s being hired for this engagement. Include a description of any compensation arrangement between your firm and any members of the financing team and consultants, including the State, the Commission members and their staff, Louisiana Treasury Department and staff, State Legislators and staff, and Department of Transportation and Development (“DOTD”) and staff. Please cover the period January 1, 2015 through the present.
17. Provide a statement to certify that the firm currently is in compliance with MSRB rules G-37 and G-38, if applicable. For purposes of this Solicitation, officials of the issuer include the elected officials who serve on the board of the Commission.
18. List the primary members of your banking team that will cover the Commission. Identify only the principal and key supporting team members. Indicate who will be the lead banker or lead bankers and who will be the supporting junior bankers on a day-to-day basis. Indicate the individual who will primarily be responsible for pricing the transactions. Provide the following information for each team member in tabular format.
  - a. Name and title;

- b. Role of team member;
- c. Years with current firm, years in industry;
- d. Prior experience with the Commission with current firm and previous firm(s);
- e. Location of primary office of team member;
- f. Other major client list and responsibilities; and
- g. Whether the team member is a full-time employee of the firm or is employed on a part-time or consultant basis.

A brief biographical summary may be provided in an appendix for each team member. **APPENDIX WILL NOT COUNT AGAINST PAGE LIMIT.**

19. Indicate the team members who will do the quantitative work in structuring bond issues, including the analysis of refundings, and identify which team members are primarily responsible and which will be backup. Describe the experience of such individuals providing quantitative expertise in structuring bond issues in the past for the Commission indicating whether this experience was while employed by your firm or a prior firm.
20. Provide as references for the members of the team to be assigned to this engagement the names and contact information (address, phone, and email address) for three government officials with three different issuers of state debt issues and/or similar bond issues and identify each reference by team member. Omit references from Louisiana Treasury Department staff, State Bond Commission members and staff, State Legislators and staff, and DOTD and staff.

**B. Distribution Capability and Track Record. PAGE LIMIT: 10 PAGES**

1. Describe your firm’s municipal bond capabilities, both with respect to retail (professional and individual) and institutional sales, and any distribution advantages possessed by your firm. Include in your description the number of offices and registered representatives/financial advisors nationally and in Louisiana in the format of the chart below.

		<u>National</u>		<u>Louisiana</u>	
		<u>Institutional</u>	<u>Retail</u>	<u>Institutional</u>	<u>Retail</u>
<i>Offices</i>					
<i>Sales Associates/ Financial Advisors</i>					

2. Briefly discuss examples of transactions and circumstances where your firm used its capital to support the sale and distribution of bonds during the past three years.
3. What are the top 20 positions your firm has taken down into inventory during the last three years when your firm was senior manager on transactions over \$50 million in par? Include in your response the date, issuer, total par amount of the issue, the total par amount of unsold bonds, the type of bonds (GO, Tax-supported, Appropriation-dependent, Revenue, etc.), the amount of bonds your firm took into inventory, as well as the number of business days the bonds remained in inventory before 80% was sold in the format of the chart below. **CHART CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**

Date	Issuer	Type of Bonds	Total Par Amt of Issue (\$000)	Total Par Amt of Unsold Bonds	Underwritten Balance (\$000)	Underwritten Balance (%)	Number of Business Days in Inventory Before 80% of Bonds Sold

4. Describe how your firm provides secondary market support for obligations issued by the State of Louisiana. Provide your firm’s average weekly inventory position and average weekly secondary market trading volume in Louisiana tax-exempt and taxable debt since January 1, 2015 in the charts below. Describe how your firm provides secondary market support for obligations by the State of Louisiana. In addition, highlight any other unique means by which your firm provides secondary market support for municipal obligations.

<b>Municipal Institutional Trades</b>			
	<b>Average Weekly Secondary Market Trading Volume</b>		<b>Inventory Position</b>
<b>Year</b>	<b># of Trades</b>	<b>Total Par</b>	<b>Average Weekly Position (Par)</b>
2019 YTD			
2018			
2017			
2016			
2015			

<b>Municipal Retail Trades Average Weekly</b>		
<b>Year</b>	<b># of Trades</b>	<b>Total Par</b>
2019 YTD		
2018		
2017		
2016		
2015		

5. With respect to new money issuances, generally describe bond terms, redemption features, and innovative debt management tools that can both create and sustain realistic call option features for the State. Include in this discussion a summary of the risks or costs to the State associated with such strategies.
6. Describe any steps your firm has taken to expand its coverage of investors to identify and expand clients that are interested in taxable bonds, and your view of demand for taxable bonds, including demand from international clients. Provide up to 3 case studies. **CASE STUDIES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**
7. Comment on the State’s traditional investor outreach and disclosure approach in the context of demand for taxable bonds.
8. Describe your firm’s expectations for the fundamentals of the municipal bond market over the next three years. Discuss the impact of supply expectations on tax-exempt interest rates relative to US Treasuries and on municipal credit spreads. Provide your firm’s forecast for taxable and tax-exempt municipal supply, including a forecast of refunding volume. **FORECAST CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**

9. Comment on the impact of the issue price rules established in June 2017. What is your firm's preferred approach to complying with the rule and why? With respect to the 5-day "hold-the-price" alternative in the rules, explain whether this is provided to issuers "at no cost", and if so, the basis for that conclusion and what strategies your firm uses to achieve that result.
10. With respect to co-managers, identify and discuss the means by which the State can monitor and grade performance of co-managers in a negotiated transaction. Discuss how the State should interpret the final designations of a negotiated transaction.

**C. Previous Coverage and Services to the State. PAGE LIMIT 4 Pages**

1. State whether your firm has participated in the underwriting syndicate or selling group for bonds issued by the Commission on behalf of the State in the last five years. Indicate the orders your firm submitted in that role by providing a breakdown of those orders between professional retail, individual retail, distribution agreements, priority and member orders. Provide this information in total dollars and as a percent of your aggregate liability. Identify the institutional investors your firm brought in to these transactions where your firm was not the Book-Running Senior Manager. State the total allotments and total designations received by your firm in that role during the last five year period.
2. Since July 2018, identify the date of each meeting held with the Commission and staff, including DOTD. Provide a brief bullet-point summary of the key ideas presented. For this same time period, list the dates of memos or proposals that were otherwise presented to the Commission and staff and provide a brief bullet-point summary of the key ideas presented. Present your response in a tabular format.
3. Since July 2018, with respect to refunding updates, suggested structures, or suggested timing, list dates for meetings and also for other email communications during which refunding updates were provided, and briefly state the conclusions, insights, or perspectives provided in each instance.
4. Since January 1, 2015, identify each competitive sale of the State's bonds for which your firm submitted a bid. In tabular format, provide the date, series designation, par amount, tax status, winning bid, and your firm's bid for the competitive sale. If your firm bid as part of a syndicate that submitted the winning bid, indicate the role of your firm in the syndicate and percentage of participation level.

**EXHIBIT 2**  
**Fiscal Year 2020 Transaction**

**Refunding/Conversion of Variable Rate Gasoline and Fuels  
Series 2017 Bonds**

Must be completed to be considered for Senior Manager for the refunding/conversion of the Variable Rate Gasoline and Fuels Series 2017 Bonds to be completed in Fiscal Year 2020.

**A. Proposed Bond Structure; Identification of Specific Issues Relevant to Structuring the Transaction/Program. PAGE LIMIT: 8 PAGES; DEBT SERVICE SCHEDULES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**

Use the following criteria for structuring purposes:

Dated Date:	April 1, 2020
Delivery Date:	April 1, 2020
Amortization	No change to the existing amortization
Interest Rates	Use as of December 13, 2019
Swap MTM	See Exhibit 6

1. Describe the strategies you would recommend toward restructuring the Gasoline and Fuels Series 2017 Bonds, and the supporting rationale, addressing the issues related to the discontinuation of LIBOR. Include schedules and quantitative analysis. Address the following questions.
  - a. Should the debt remain in a synthetic fixed rate structure and if so, why?
  - b. How would you propose to address the interaction between the swaps and debt with respect to the LIBOR phase-out?
  - c. If you recommend fixing out any or all of the Gasoline and Fuels Series 2017 Bonds and terminating the related swaps, explain the potential benefits of this approach as compared to the expense of the new debt to finance the swap termination payment. Discuss other considerations supporting the recommendation. Indicate how you would amortize the taxable bonds to fund any termination payment.
  - d. If you recommend the debt to remain in a floating rate mode, discuss the relative merits of different floating rate debt products, including indexed, LC-supported, SBPA-supported, or some other structures?
  - e. Should the State consider having any unhedged floating rate debt in the Gasoline and Fuels Tax portfolio? If so, how much and why?
  - f. Provide an estimate of the spreads at which 3, 4 and 5-year FRNs would price if indexed to LIBOR, SIFMA, Federal Funds, SOFR, or other relevant indices. In an appendix, provide any information you have on comparable FRNs that have come to market in the last year. Discuss how the Louisiana Gasoline and Fuels Tax FRNs would price relative to these transactions.
  - g. What redemption date would you recommend for the floating rate debt?
  - h. With respect to bank-supported VRDOs or indexed FRNs based on a rate other than SOFR, provide an analysis of the potential basis difference between the floating leg of the swaps and the floating rate debt, including a likely scenario and a stress scenario.
  - i. Describe any alternative approach to the Refunding/Conversion of the Gasoline and Fuels Series 2017 Bonds that has not been addressed in the questions above. **TWO PAGE LIMIT TO THIS QUESTION.**
  
2. Provide any specific ideas you have for optimizing or mitigating risk in the State's swap portfolio.

3. Describe any municipal bond or note transactions in which you have participated where the issuer has changed the structure or entered into new swaps in anticipation of LIBOR discontinuation? What was the basis for selecting the particular approach chosen for those transactions?
4. Describe the characteristics of no more than three transactions which would be especially relevant in evaluating the experience of your firm to handle the refunding/conversion of the Gasoline and Fuels Series 2017 Bonds and related swaps. **DESCRIPTIONS CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT, HOWEVER EACH TRANSACTION CANNOT BE LONGER THAN 1 PAGE.**

**B. Fees. PAGE LIMIT: 1 PAGE FOR EACH FEE SHEET AND 2 PAGES FOR TAKEDOWNS BY MATURITIES AND UNDERWRITER COUNSEL.**

The Selection Sub-Committee of the Bond Commission intends to negotiate fees with the highest scoring firm applying for the senior manager position. If these negotiations are not satisfactory to the Committee, negotiations may be entered into with the second highest scoring firm, and so on.

1. Using the Investment Banking Fee Proposal Worksheets attached hereto as “Exhibit 2A Fees”, provide estimated gross spread breakdowns and budgets for each of the proposed transaction(s). If your firm provides a range, the highest figure will be used. All costs/fees provided on the attached worksheet must have a cap. The completed fee sheet will serve as a comparative indicator. Please also provide a proposed takedown for each maturity.
2. Provide the names of three firms you would recommend as underwriters’ counsel, the name of the lead attorney for this financing and the capped fees, including expenses, the law firm would charge.

**C. Credit Facility Support for Variable Rate Transactions**

Firms that wish to provide expressions of interest and indicative pricing for letters of credit or standby bond purchase agreements for potential variable rate demand obligations should complete Exhibit 2B.



**EXHIBIT 2A FEES**

**Fiscal Year 2020 Transaction**

**Refunding/Conversion of Variable Rate Gasoline and Fuels Series 2017 Bonds**

**INVESTMENT BANKING FEE PROPOSAL WORKSHEET  
ASSUME \$424,375,000 VARIABLE RATE BONDS**

*Fee proposal will apply to all variable rate bond scenarios.*

Fees are subject to negotiation.

	<u>\$/1,000</u>	<u>Actual \$ Amount</u>
Management Fee (to include Structuring Fee, if any)	\$ _____	\$ _____
Average Takedown <sup>1</sup> \$ _____ (on a not to exceed basis)	\$ _____	\$ _____
Total Expenses (as set forth in expense breakdown below) <sup>2</sup>	\$ _____	\$ _____
<b>TOTAL</b>	\$ _____	\$ _____
Expense Breakdown <sup>2</sup> (maximum not to be exceeded):		
Clearance	\$ _____	\$ _____
Travel	\$ _____	\$ _____
Syndication	\$ _____	\$ _____
Advertising	\$ _____	\$ _____
Document Printing	\$ _____	\$ _____
Freight & Communications	\$ _____	\$ _____
Closing Expenses	\$ _____	\$ _____
Underwriter's Counsel	\$ _____	\$ _____
Day Loan/Fed Funds	\$ _____	\$ _____
Special Consultants (please specify)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Other (please specify)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Sub-Total Expenses:	\$ _____	\$ _____

<sup>1</sup>Based on proposed bond structure. Please provide a proposed takedown level for alternative mandatory redemption dates from three to five years, if they vary.

<sup>2</sup>The State will choose the printer and all other services, as needed; however, the underwriters will pay for these services as a "pass-through" cost basis, and the "spread" will be adjusted accordingly. The State reserves the right to negotiate all fees associated with this financing.

## EXHIBIT 2B

### Fiscal Year 2020 Transaction

#### Refunding/Conversion of Variable Rate Gasoline and Fuels Series 2017 Bonds

##### Credit Facility Support for Variable Rate Transactions

The State is seeking indications of interest and indicative fee information for a Letter of Credit or liquidity facility in the form of a Stand-by Bond Purchase Agreement (“SBPA”) for up to \$424,375,000 in par amount plus applicable interest coverage, relating to variable rate Gas and Fuels Tax Second Lien Revenue Bonds issued to refinance the outstanding Gasoline and Fuels Series 2017 Bonds. Based on the indicative pricing obtained via this Solicitation, the State will seek firm pricing to be held until the issuance date, expected to be before April 1, 2020.

Please note that the State seeks information on “up-to amounts”, and the State prefers to use as few banks as possible for ease of administration and consistency of terms. Banks are encouraged to offer capacity for the full \$424,375,000.

Firms may also offer indicative pricing and terms for the Direct Purchase of indexed Floating Rate Notes if they expect terms to be competitive with the all-in costs of VRDOs. For firms that would like to propose an indexed Direct Purchase FRN, the State requests indicative pricing for indices in addition to the London Interbank Offering Rate (“LIBOR”), such as the Federal Funds Rate, SOFR or SIFMA.

The State will not accept terms requiring it to incur a commitment fee before the related bonds are authorized and sold. The State will not agree to terms including a “Most Favored Nation” Clause. The State will require the option to terminate the facility and refinance the bonds with 30-days’ notice in connection with any provisions that increase its costs, including those related to tax law changes or regulations affecting the bank’s costs. The State also may determine which providers will be awarded a tranche based upon factors other than price, such as portfolio concentration, ratings of the provider, and trading value, all at its sole discretion.

Institutions submitting proposals should have long and short-term ratings as indicated below.

A. If your firm is not also responding to the underwriting portions of this SFO, please answer questions 1 through 7 below. **PAGE LIMIT: 4 Pages**

1. List the primary members of the team that will cover the Commission. Identify only the principal and key supporting team members, and indicate who will be the lead. Provide the following information for each team member in tabular format.
  - a. Name and title;
  - b. Role of team member;
  - c. Years with current firm, years in industry;
  - d. Prior experience with the Commission with current firm and previous firm(s);
  - e. Location of primary office of team member;

A brief biographical summary may be provided in an appendix for each team member.  
**APPENDIX WILL NOT COUNT AGAINST PAGE LIMIT.**

2. Give a brief but complete description of any criminal proceeding, criminal investigation, or other oversight entity’s investigation of alleged securities or banking laws violations involving your firm (all areas of the firm) or any professionals in your firm who would be involved in this financing. Please cover the period January 1, 2015 through the present. Indicate whether your firm or any professionals in your firm are a party to any securities litigation or arbitration, or are the subject of a subpoena in connection with a municipal securities litigation investigation.

Include any such investigations which concluded in an enforcement or disciplinary action ordered or imposed and a description of those actions. **ADDITIONAL INFORMATION CAN BE PROVIDED VIA ELECTRONIC LINK.**

3. Review Rule No. 1993-A of the State Bond Commission entitled “Disclosure Agreements Between Financial Professionals for Negotiated Transactions”, which is attached to this Solicitation as Exhibit 5, and recite your firm’s agreement to comply therewith.
4. Certify that your firm is not engaging in a boycott of Israel and it will, for the duration of its engagement, refrain from a boycott of Israel.

By submitting a response to this solicitation, the proposer certifies and agrees that the following information is correct: In preparing its response, the proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with specific intent to accomplish a boycott or divestment of Israel. The proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions.

The State reserves the right to reject the response if this certification is subsequently determined to be false, and to terminate the engagement if the firm engages in a boycott of Israel during the term of the engagement.

5. Certify whether your firm, either itself or through its parent company has policies that: (a) Restrict or would otherwise infringe on the constitutionally protected rights of the citizens of the State to lawfully keep and bear arms, (b) Discriminate against citizens based on the citizens’ exercise of their constitutional rights, or (c) Otherwise unlawfully discriminate against citizens of the State.

The State reserves the right to reject the response if this certification is subsequently determined to be false, and to terminate the engagement if the firm, either itself or through its parent company engages in policies that restrict or would otherwise infringe upon the rights of citizens of the State to lawfully keep and bear arms, including the right to purchase and sell arms.

6. Disclose any conflicts of interest or potential conflicts of interest that may arise as a result of your firm’s being hired for this engagement. Include a description of any compensation arrangement between your firm and any members of the financing team and consultants, including the State, the Commission members and their staff, Louisiana Treasury Department and staff, State Legislators and staff, and DOTD. Please cover the period January 1, 2015 through the present.
7. Provide a statement to certify that the firm currently is in compliance with MSRB rules G-37 and G-38, if applicable. For purposes of this Solicitation, officials of the issuer include the elected officials who serve on the board of the Commission.

## Summary of Terms

<b>Issue Name:</b>	State of Louisiana Gas and Fuels Tax Second Lien Revenue Bonds
<b>Trustee/Issuing and Paying Agent:</b>	Hancock Whitney Bank
<b>SBPA or LC Total Stated Amount:</b>	Up to \$424,375,000 plus an amount equal to 186 days interest at the maximum rate under the Bond Resolution
<b>Term:</b>	Terms of at least three years are required, longer terms would be preferred
<b>Term-out Provisions:</b>	At least a 5-year term loan provision for the State to make installment purchases of bank bonds, which will begin after a 180 day holding period.
<b>Interest Rate Modes:</b>	The State expects to issue VRDOs in a weekly mode, but prefers the flexibility to issue VRDOs in a daily mode and to convert to a daily or weekly mode from another mode without the consent of any third party.
<b>Provider Ratings:</b>	Long-term ratings of at least A2 from Moody's Investors Service ("Moody's") and A from Standard & Poor's Ratings Services ("S&P") with short term ratings that will provide the State with no trading differential. The State reserves the right to terminate without penalty an SBPA or to terminate any commitment to enter into an SBPA after an award upon a downgrade of the Bank or if a trading differential is sustained.
<b>Annual Fee:</b>	<p>Payable quarterly in arrears calculated on a 30/360-day basis.</p> <p>The fee may increase upon a rating downgrade of the Second Lien bonds and will decrease upon a rating downgrade of the provider. There will be no amendment or transfer fees payable upon replacement of a bank in the event of a long or short term rating downgrade of the bank, and the annual fee will terminate effective upon any such replacement.</p>
<b>Fees and Expenses:</b>	<p>Fees and expenses of a single domestic law firm acting as Bank Counsel for the selected Bank will be reimbursed by the State in an amount not to exceed \$35,000.</p> <p>The State will pay fees of outside foreign counsel in an amount up to \$3,500 if a foreign counsel opinion is required. No reimbursement will be made for in-house foreign or domestic counsel regardless of whether they are rendering opinions.</p> <p>No other fees and expenses of the Bank(s) in connection with the issuance of the Liquidity Facility will be paid or reimbursed by the State.</p>

Please provide contact information as shown below. Please indicate the Bank's specific principal commitment for up to \$424,375,000. Please note that it is expected that in addition to the principal commitment amount, an interest component calculated for 186 days based on maximum interest rate under the Bond Resolution will be required for a SBPA facility. Also, provide current long and short-term ratings as shown below, indicating whether any ratings are under review for possible downgrade/upgrade and highlighting any rating changes that have occurred during past two years.

Bank:			
Primary Contact:			
Address:			
Telephone:			
Fax:			
E-mail:			
Commitment Amount: This bid applies to the following:	\$100 million	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	\$200 million	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	\$224 million	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	\$424 million	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Form of Proposal:	Letter of Credit <input type="checkbox"/>	SBPA <input type="checkbox"/>	CCA <input type="checkbox"/>

Agency	Rating	On Watch/Outlook?	Rating Changes in Last Two Years?
Moody's:			
S&P:			

Annual Commitment Fee: Please provide the annual fees for the LC, SBPA and/or in the case of a direct purchase, a Continuing Covenant Agreement ("CCA") or other applicable agreement for the terms shown below or for other terms for which the Bank is willing to propose, including any other term chosen at the Bank's discretion. Fees will be payable quarterly in arrears on the first business day of each January, April, July, and October based upon a 30/360 day basis. To the extent the commitment fees will be adjusted upon an upgrade or downgrade of the Authority's rating, please provide a clear explanation of the adjustment in the space provided. Annual Fee, Draw Fees, and Amendment Fees: Please note if any up-front or annual fee applies to the facility.

Term	Pricing	
	SBPA or LC Annual Commitment Fee	CCA – Base Index & Applicable Spread
3 Years/5 year term out		
4 Years/ 5 year term out		
5 Years/ 5 year term out		
6 Years/ 5 year term out		
Other Term:		

If there are adjustments to the annual fees proposed or if, in the case of a SBPA, the Provider's short-term ratings are downgraded below P-1/VMIG-1 or A-1 or for any other reason, please identify and explain below.

Rating Category/Other	Adjustment

If there are adjustments to the annual commitment fees proposed for any rating downgrade or for any other reason, please identify and explain below.

Rating Category/Other	Adjustment

- If providing a SBPA, will you allow daily interest rate mode without restrictions?
- Do you have credit approval? If not, what is your required schedule?
- Utilizing the following tables, clearly describe the interest rate applicable to purchases and the default rate (include the definition of “Base Rate” if applicable). All interest charge calculations should be based on a 365-day year. Note that the Authority’s SBPA requires banks to commit to purchasing bonds without any acceleration provisions.

<b>Purchase/Rates</b>	
<b>Base Rate:</b>	
<b>Purchased Bond Rate - 0-90 Days:</b>	
<b>Purchased Bond Rate – 91-180 Days:</b>	
<b>Term Loan Rate:</b>	

**Events of Default and Remedies: Please provide term sheet**

**Domestic and Foreign (as applicable) Counsel:**

- Please provide contact information for the domestic and foreign law firms the Bank would be willing to use on its behalf to negotiate documentation and provide opinions.

<b>Firm Name:</b>	
<b>Primary Contact</b>	
<b>Address:</b>	
<b>Telephone:</b>	
<b>Facsimile:</b>	
<b>E-mail:</b>	
<b>Initial Not-to-Exceed Amount: \$35,000</b>	
<b>Foreign Counsel Name (if any):</b>	
<b>Foreign Counsel Not-to-Exceed Amount: \$3,500</b>	

**EXHIBIT 2C**  
**VRDO REMARKETING AGENT EXPERIENCE**

January 1, 2017 to 11/30/2019

Provide the total number of issues and volume of bonds for which your firm has served as remarketing agent for variable rate demand obligations annually since January 1, 2017. For the 20 largest issues (based on peak remarketing amounts), provide the issuer name, the security, the peak amount of bonds remarketed, and the name of the bank providing the liquidity support.

Total # of Issuers:		Peak Weekly or Daily Amount Remarketed:			
Largest 20 Issuers:					
<i>Issuer name</i>	<i>Name of Bonds</i>	<i>Security</i>	<i>Peak Weekly or Daily Amount remarketed for each Issue</i>	<i>Bank and Type of Liquidity Support (LC or SPBA)</i>	<i>Initial Offering? y/n</i>

## EXHIBIT 3

### Fiscal Year 2020 Transactions

#### Fixed Rate General Obligation Refunding Bonds

Must be completed to be considered for Senior Manager or Co-Senior Manager for the Fiscal Year 2020 Fixed Rate General Obligation Refunding Bonds. Firms wishing to be considered solely for a co-manager position need not respond to this section.

**A. Proposed Bond Structure; Identification of Specific Issues Relevant to Structuring the Transaction/Program. PAGE LIMIT: 8 PAGES; DEBT SERVICE SCHEDULES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**

Use the following criteria for structuring purposes:

Dated Date:	March 15, 2019
Delivery Date:	April 1, 2019
Interest Rates	Use as of December 13, 2019

1. Provide specific structuring scenarios with supporting quantitative analysis with a structure designed to provide proportional savings compared to the existing debt structure for the scenarios below:
  - b. At least 3% present value savings on an aggregate basis.
  - c. At least 5% present value savings on an aggregate basis.
2. Provide sensitivity analysis for each scenario assuming a 25 basis point upward shift and a 15 basis point downward shift in the yield curve on a parallel basis.
3. Describe the sensitivity of the savings to the slope of the yield curve. Quantify the potential impact by referring to your firm's interest rate and market outlook for Q1 2020.
4. Explain the basis for selection of the specific refunding candidates, including any specific quantitative decision metrics you propose either in addition to or instead of PV savings measures.
5. Describe any additional refunding scenarios that you consider more advantageous to the State and explain why.
6. Describe your recommended approach towards analyzing the trade-off between taking savings now as opposed to waiting until closer to the call dates of the proposed refunded targets, including how to consider the uncertainty of future interest rates.
7. Identify spread assumptions and how they were derived.
8. Indicate the recommended redemption features for the taxable refunding bonds, as applicable, and the rationale for your recommendation.
9. Describe how you would assist the State in monitoring the market for the transactions and deciding on the sale date. Discuss the state's flexibility in this regard.
10. Describe the characteristics of no more than six transactions which would be especially relevant in evaluating the experience of your firm to handle the financing of any Fixed Rate General Obligation Refunding Bonds. **DESCRIPTIONS CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT, HOWEVER EACH TRANSACTION CANNOT BE LONGER THAN 1 PAGE.**



11. Describe any alternative approach to the Fixed-Rate Refunding that has not been addressed in the questions above. **TWO PAGE LIMIT TO THIS QUESTION.**

**B. Fees. PAGE LIMIT: 1 PAGE FOR EACH FEE SHEET AND 2 PAGES FOR TAKEDOWNS BY MATURITIES AND UNDERWRITER COUNSEL.**

The Selection Sub-Committee of the Bond Commission intends to negotiate fees with the highest scoring firm applying for the senior manager position. If these negotiations are not satisfactory to the Committee, negotiations may be entered into with the second highest scoring firm, and so on.

1. Using the Investment Banking Fee Proposal Worksheets attached hereto as “Exhibit 3A Fees”, provide estimated gross spread breakdowns and budgets for each of the proposed transaction(s). If your firm provides a range, the highest figure will be used. All costs/fees provided on the attached worksheet must have a cap. The completed fee sheet will serve as a comparative indicator. Please also provide a proposed takedown for each maturity.
2. Provide the names of three firms you would recommend as underwriters’ counsel, the name of the lead attorney for this financing and the capped fees, including expenses, the law firm would charge.

**EXHIBIT 3A FEES**

**Fixed Rate General Obligation Refunding Bonds**

**INVESTMENT BANKING FEE PROPOSAL WORKSHEET  
ASSUME \$100,000,000 GENERAL OBLIGATION BONDS**

Fees are subject to negotiation.

	<u>\$/1,000</u>	<u>Actual \$ Amount</u>
Management Fee (to include Structuring Fee, if any)	\$ _____	\$ _____
Average Takedown <sup>1</sup> \$ _____ (on a not to exceed basis)	\$ _____	\$ _____
Total Expenses (as set forth in expense breakdown below) <sup>2</sup>	\$ _____	\$ _____
<b>TOTAL</b>	\$ _____	\$ _____
Expense Breakdown <sup>2</sup> (maximum not to be exceeded):		
Clearance	\$ _____	\$ _____
Travel	\$ _____	\$ _____
Syndication	\$ _____	\$ _____
Advertising	\$ _____	\$ _____
Document Printing	\$ _____	\$ _____
Freight & Communications	\$ _____	\$ _____
Closing Expenses	\$ _____	\$ _____
Underwriter's Counsel	\$ _____	\$ _____
Day Loan/Fed Funds	\$ _____	\$ _____
Special Consultants (please specify)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Other (please specify)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Sub-Total Expenses:	\$ _____	\$ _____

<sup>1</sup>Based on proposed bond structure. Please provide a proposed takedown level for each maturity separately for each proposed series.

<sup>2</sup>The State will choose the printer and all other services, as needed; however, the underwriters will pay for these services as a "pass-through" cost basis, and the "spread" will be adjusted accordingly. The State reserves the right to negotiate all fees associated with this financing.

## EXHIBIT 4

### Fiscal Year 2020 Transactions

#### Fixed Rate Gasoline and Fuels Tax Revenue Refunding Bonds, 1<sup>st</sup> and 2<sup>nd</sup> Liens

Must be completed to be considered for Senior Manager or Co-Senior Manager for the Fiscal Year Fixed Rate Gasoline and Fuels Tax Revenue Refunding Bonds, 1<sup>st</sup> and 2<sup>nd</sup> Liens. Firms wishing to be considered solely for a co-manager position need not respond to this section.

**A. Proposed Bond Structure; Identification of Specific Issues Relevant to Structuring the Transaction/Program. PAGE LIMIT: 8 PAGES; DEBT SERVICE SCHEDULES CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT.**

Use the following criteria for structuring purposes:

Dated Date:	March 15, 2019
Delivery Date:	April 1, 2019
Interest Rates	Use as of December 13, 2019

1. Provide specific structuring scenarios with supporting quantitative analysis with a structure designed to provide proportional savings compared to the existing debt structure for the scenarios below:
  - a. At least 3% present value savings on an aggregate basis.
  - b. At least 5% present value savings on an aggregate basis.
2. Provide sensitivity analysis for each scenario assuming a 25 basis point upward shift and a 15 basis point downward shift in the yield curve on a parallel basis.
3. Describe the sensitivity of the savings to the slope of the yield curve. Quantify the potential impact by referring to your firm's interest rate and market outlook for Q1 2020.
4. Explain the basis for selection of the specific refunding candidates, including any specific quantitative decision metrics you propose either in addition to or instead of PV savings measures.
5. Describe any additional refunding scenarios that you consider more advantageous to the State and explain why.
6. Describe your recommended approach towards analyzing the trade-off between taking savings now as opposed to waiting until closer to the call dates of the proposed refunded targets, including how to consider the uncertainty of future interest rates.
7. Identify spread assumptions and how they were derived.
8. Indicate the recommended redemption features for the taxable refunding bonds, as applicable, and the rationale for your recommendation.
9. Describe how you would assist the State in monitoring the market for the transactions and deciding on the sale date. Discuss the state's flexibility in this regard.
10. Describe the characteristics of no more than six transactions which would be especially relevant in evaluating the experience of your firm to handle the financing of any Fixed Rate General Obligation Refunding Bonds. **DESCRIPTIONS CAN BE PROVIDED IN A SEPARATE APPENDIX AND WILL NOT COUNT AGAINST PAGE LIMIT, HOWEVER EACH TRANSACTION CANNOT BE LONGER THAN 1 PAGE.**

11. Describe any alternative approach to the Fixed-Rate Refunding that has not been addressed in the questions above. **TWO PAGE LIMIT TO THIS QUESTION.**
12. The existing amortization schedule for the total Gasoline and Fuels Tax portfolio (including fixed and variable, first and second liens), results in growth in annual debt service over time. Tax revenues in excess of debt service are an important funding source for transportation operating and pay-go capital needs. Describe any debt structuring approaches to the complete Gasoline and Fuels Tax portfolio that the State could consider in light of the challenges of providing funding for transportation operating and pay-go capital needs.

**B. Fees. PAGE LIMIT: 1 PAGE FOR EACH FEE SHEET AND 2 PAGES FOR TAKEDOWNS BY MATURITIES AND UNDERWRITER COUNSEL.**

The Selection Sub-Committee of the Bond Commission intends to negotiate fees with the highest scoring firm applying for the senior manager position. If these negotiations are not satisfactory to the Committee, negotiations may be entered into with the second highest scoring firm, and so on.

3. Using the Investment Banking Fee Proposal Worksheets attached hereto as “Exhibit 4A Fees”, provide estimated gross spread breakdowns and budgets for each of the proposed transaction(s). If your firm provides a range, the highest figure will be used. All costs/fees provided on the attached worksheet must have a cap. The completed fee sheet will serve as a comparative indicator. Please also provide a proposed takedown for each maturity.
4. Provide the names of three firms you would recommend as underwriters’ counsel, the name of the lead attorney for this financing and the capped fees, including expenses, the law firm would charge.

**EXHIBIT 4A FEES**

**Fixed Rate Gasoline and Fuels Tax Revenue Refunding Bonds, 1<sup>st</sup> and 2<sup>nd</sup> Liens**

**INVESTMENT BANKING FEE PROPOSAL WORKSHEET  
ASSUME \$400,000,000 GASOLINE AND FUELS TAX BONDS**

Fees are subject to negotiation.

	<u>\$/1,000</u>	<u>Actual \$ Amount</u>
Management Fee (to include Structuring Fee, if any)	\$ _____	\$ _____
Average Takedown <sup>1</sup> \$ _____ (on a not to exceed basis)	\$ _____	\$ _____
Total Expenses (as set forth in expense breakdown below) <sup>2</sup>	\$ _____	\$ _____
<b>TOTAL</b>	\$ _____	\$ _____
Expense Breakdown <sup>2</sup> (maximum not to be exceeded):		
Clearance	\$ _____	\$ _____
Travel	\$ _____	\$ _____
Syndication	\$ _____	\$ _____
Advertising	\$ _____	\$ _____
Document Printing	\$ _____	\$ _____
Freight & Communications	\$ _____	\$ _____
Closing Expenses	\$ _____	\$ _____
Underwriter's Counsel	\$ _____	\$ _____
Day Loan/Fed Funds	\$ _____	\$ _____
Special Consultants (please specify)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Other (please specify)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Sub-Total Expenses:	\$ _____	\$ _____

<sup>1</sup>Based on proposed bond structure. Please provide a proposed takedown level for each maturity separately for each proposed series.

<sup>2</sup>The State will choose the printer and all other services, as needed; however, the underwriters will pay for these services as a "pass-through" cost basis, and the "spread" will be adjusted accordingly. The State reserves the right to negotiate all fees associated with this financing.

**EXHIBIT 5**  
**RULE NO. 1993-A**  
**Adopted March 20, 1994**

**DISCLOSURE OF AGREEMENTS BETWEEN FINANCIAL PROFESSIONALS  
FOR NEGOTIATED TRANSACTIONS**

WHEREAS, the duties of the Louisiana State Bond Commission (“the Commission”) require that it choose financial professionals (including, without limitations, firms of underwriters, financial advisers and bond attorneys) in connection with certain bond issues and the Commission predicates such choices upon the competing firms’ experience, qualifications and performance, in order that a broad spectrum of firms including minority and women-owned and regional firms are given an opportunity to actively and fully participate in such financings; and ,

WHEREAS, the Commission’s duties also require that it approve applications from local governmental entities to issue bonds and such applications include information on the financial professionals involved in handling the issues;

NOW THEREFORE, in order to insure the integrity of the structure of the financing team which the Commission is charged with the responsibility of choosing and/or approving for handling bond issues, the Commission hereby adopts the following rule regarding agreements by and between financial professionals as to the sale of such bonds:

1. Terms and/ or existence of all joint accounts and/or any other fee-splitting arrangements by and between financial professionals must be disclosed and approved by the Commission.
2. For bond issues for which the Commission is charged with the responsibility to choose the financial professionals, the following will apply;
  - a. Firms under considerations for selection by the Commission must file a disclosure statement to be submitted as part of their proposal (whether such proposal is solicited or unsolicited), listing any and all agreements by and between themselves and any other financial professionals which relate to the bond issue.
  - b. Financial professionals include, in any proposal submitted to the Commission, the name or names of any person or firm, including attorneys lobbyist and public relations professionals engaged to promote the selection of the particular financial entity.
  - c. Joint proposals from financial professionals will be allowed only if the Commission’s solicitation for offers requests and/or permits joint proposals. The Commission reserves the right, in its sole discretion, to decide on an issue –by-issue basis whether joint proposals will be permitted.
  - d. All financial professionals submitting joint proposals and/or intending to enter into accounts or any fee-splitting arrangements in connection with a bond issue must fully disclose and have approved by the Commission any plan or arrangement to share tasks, responsibilities, and fees earned, and disclose the financing professionals with whom this sharing is proposed, and my changes thereto which may occur.
  - e. The Agreement among Underwriters will govern all transactions during the underwriting period and such agreement must be disclosed and filed with the Commission.

- f. No later than forty-five (45) days following the bond sale, all participating underwriters must file with the Commission in notarized affidavit form individual post-sale reports, which include a full accounting for all bonds sold and all commissions earned, and any other compensations paid or earned in connection with such sale
3. Failure to comply with any of the provisions of Section 1 or 2 of this rule may result in a firm's immediate dismissal, disqualification from later issues, or other penalties as may be provided by law or the rules, policies and procedures of the Commission as the Commission in its sole discretion may deem appropriate.
4. For those bond issues which the Commission must approve but which the Commission is not responsible for the choice of the financial professionals, the following will apply:
  - a. The details of any arrangements for compensation of all the financial professionals in the transaction (including any joint accounts or fee-splitting agreements) and the method used to calculate the fees to be earned must be provided to the Commission in the written application. The Commission's receipt of this information is a prerequisite for being placed on the agenda.
  - b. At closing, this information must be certified in notarized affidavit form by the financial professional to be correct and filed with State Bond Commission within five (5) days thereof. This information will form a part of the public record of the bond issue.

**TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT (TIMED)  
SUMMARY OF DEBT  
As of 11/29/2019**

Lien	Tax Status	Series	Issue Description	Original Principal	Outstanding Principal	Callable Par	Final Bond Maturity	Mandatory Bond Tender	RMK (bps)	Swap Blended Yield	Put Expiration	Existing Call Terms	Put Mechanics
1st	TE	2012A	G&F Tax Senior Lien RFB	\$ 803,080,000	\$ 642,510,000	\$ 554,625,000	5/1/2035	na	na	na	na	Callable 5/1/2022 @ 100	na
1st	TE	2013A	G&F 2006A Call Mod	\$ 173,000,000	\$ 173,000,000	\$ 173,000,000	5/1/2041	na	na	na	na	Callable 5/1/2023 @ 100	na
2nd	TE	2010B	G&F Tax Sub Lien RB	\$ 394,310,000	\$ 5,880,000	\$ -	5/1/2045	na	na	na	na	Callable 5/1/2020 @ 100	na
2nd	TE	2013C-1	G&F Tax 2nd Lien RFB	\$ 60,150,000	\$ 60,150,000	\$ 60,150,000	5/1/2043	na	na	na	na	Callable 05/01/24 @ 100	na
2nd	TX	2013C-2	G&F Tax 2nd Lien RFB	\$ 14,940,000	\$ 6,005,000	na	5/1/2023	na	na	na	na	na	na
1st	TE	2014B	G&F Tax Senior Lien RFB	\$ 239,910,000	\$ 238,435,000	\$ 238,435,000	5/1/2039	na	na	na	na	Callable 5/1/24 @ 100	na
1st	TE	2015A	G&F Tax 1st Lien RFB	\$ 584,985,000	\$ 584,985,000	\$ 584,985,000	5/1/2041	na	na	na	na	Callable 5/1/2025 @ 100	na
2nd	TE	2015B	G&F Tax 2nd Lien RFB	\$ 39,810,000	\$ 39,810,000	\$ 7,470,000	5/1/2026	na	na	na	na	Callable 5/1/2025 @ 100	na
2nd	TE	2017A	G&F Tax 2nd Lien RB	\$ 200,000,000	\$ 200,000,000	\$ 200,000,000	5/1/2043	5/1/2020	na	4.293%	na	May be redeemed on each Rate Reset Date	na
1st	TE	2017B	G&F Tax 1st Lien RFB	\$ 60,690,000	\$ 60,690,000	\$ 11,390,000	5/1/2028	na	na	na	na	Callable 11/1/27 @ 100	na
2nd	TE	2017C	G&F Tax 2nd Lien RFB	\$ 297,405,000	\$ 297,405,000	\$ 289,595,000	5/1/2045	na	na	na	na	Callable 11/1/27 @ 100	na
2nd	TE	2017D-1	G&F Tax 2nd Lien RFB	\$ 103,125,000	\$ 103,125,000	\$ 103,125,000	5/1/2043	12/1/2020	na	4.193%	na	May be redeemed on each Rate Reset Date	na
2nd	TE	2017D-2	G&F Tax 2nd Lien RFB	\$ 121,250,000	\$ 121,250,000	\$ 121,250,000	5/1/2043	12/1/2020	na	4.336%	na	May be redeemed on each Rate Reset Date	na
<b>Totals</b>				<b>\$ 3,092,655,000</b>	<b>\$ 2,533,245,000</b>	<b>\$ 2,344,025,000</b>							

**SWAP ALLOCATIONS**

Identifier	Associated Series	Contract Providers	Total	Notional Amounts	Fixed Rate	Floating Rate	Swap Termination Date	Effective Start Date	Latest Swap Valuation
MU0445	2017D-2	BONY**	\$ 121,250,000	\$ 28,249,500	3.9315%	70% ONE MONTH LIBOR	5/1/2022	4/1/2012	\$ (11,011,800.00)
MU0429	2017D-2	BONY**	\$ 93,000,000	\$ 93,000,000	3.9235%	70% ONE MONTH LIBOR	5/1/2022	4/1/2012	\$ (47,395,457.00)
MK327	2017D-1	RAYMOND JAMES	\$ 242,500,000	\$ 56,500,000	3.6920%	70% ONE MONTH LIBOR	5/1/2041	5/1/2009	\$ (20,096,753.00)
MK326	2017A	RAYMOND JAMES	\$ 186,000,000	\$ 186,000,000	3.6920%	70% ONE MONTH LIBOR	5/1/2043	5/1/2009	\$ (86,657,548.00)
8938	2017A	JPMORGAN	\$ 60,625,000	\$ 14,125,000	3.6990%	70% ONE MONTH LIBOR	5/1/2041	5/1/2009	\$ (5,130,690.00)
8940	2017D-1	JPMORGAN	\$ 46,500,000	\$ 46,500,000	3.6940%	70% ONE MONTH LIBOR	5/1/2043	5/1/2009	\$ (22,198,892.00)
									<b>\$ (192,491,140.00)</b>

\* Variable Rate on SWAPS - 70% of 1 month LIBOR

\*\* Novation from Merrill Lynch to Jefferies effective April 13, 2012 and from Jefferies to Bank of New York effective July 31, 2013