AGENDA
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
FINANCE COMMITTEE MEETING
March 4, 2015
2:00 – 4:00 PM Pelican Room #107

1. Call to Order

2. Public Comment - Pursuant to Florida Statute 286.0114 (2013) the Finance Committee will allow public comment on any matter either identified on this meeting agenda as requiring action, or anticipated to come before the Committee for action in reasonable proximity to this meeting. Speakers shall be limited to three minutes per person and the assignment of one person's time to another or designation of group spokesperson shall be allowed at the discretion of the Committee Chairman.

3. Approval of minutes (Tab A):

    a. November 5, 2014

4. Approval of Financial Policies (Tab B)

    a. Debt Policy

    b. Interest Rate Risk Management Policy

5. Direction on How to Go Forward with 2008B1-4 Credit Facility

    Replacements (Tab C)

6. TIFIA Loan Status

7. Refunding Opportunity Monitoring

Tab A

MINUTES
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
FINANCE COMMITTEE MEETING
November 5, 2014

Committee Members Present:
Edward Bass, Committee Chair, Seminole County
Fred Winterkamp, Orange County
Chris McCullion, City of Orlando
Michael Kurek, Osceola County
Steve Koontz, Lake County

Also Present:
Angela Carloss, Recording Secretary/Administrative Coordinator
Laura Kelley, Deputy Executive Director of Finance & Administration
Lisa Lumbard, Interim Chief Financial Officer
Linda Brehmer Lanosa, Deputy General Counsel
Michelle Maikisch, Director of Public Affairs and Communication
Steve Alexander, PFM
Brent Wilder, PFM
Hope Davidson, PFM
Joe Stanton, Broad & Cassel
Steve Zucker, Shutts & Bowen
Mel Hamilton, Chandler
Margaret Lezcano, Stifel
Pat Boyer, Barclays
Todd Morley, Wells Fargo
Mark Weinberg, Citi
John Martinez, PNC
Tamaa Patterson, Jefferies
Rawn Williams, Jefferies
Casey Brown, Bank of America Merrill Lynch
David Ardayfo, Barclays
David Thornton, Wells Fargo
Camille Evans, Greenberg Trauig
Sylvia Dunlap, National Minority Consultants

CALL TO ORDER

The meeting was called to order at 2:04 p.m. by Edward Bass, who is chair per the Finance Committee Charter.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES

Staff received confirmation from the former Finance Committee members, Jacqui Bradley and Walter Ketcham, that the minutes were accurate. Mr. Winterkamp noted that he was also at that meeting and attested that the minutes were correct.

A motion was made by Mr. Winterkamp and seconded by Mr. McCullion to approve the April 17, 2014 Finance Committee minutes as presented. The motion carried unanimously.

INTRODUCTIONS

The Committee members, staff, and finance team introduced themselves.

DISCUSSION OF CHARTER

There was discussion of the charter. It was noted that the chair of the Finance Committee is a liaison to the CFX Board and is expected to attend Board meetings where Finance Committee recommendations are presented or approved.

ANNUAL INVESTMENT REPORT

Steve Alexander of PFM presented the Annual Investment Report (attached) to the Finance Committee. It was requested that PFM add the credit ratings of the Issuers on the Annual Asset Allocation report.

CFX FINANCIAL BRIEFING

Lisa Lumbard, Interim CFO, and Brent Wilder, PFM, reviewed the CFX Financial Briefing Presentation (attached).

All committee members requested to be added to the Stat Book distribution list.

PFM recommends issuing Request for Recommendations and Pricing Indications for the bank facilities related to the 2008 B1-B4 Bonds. The results of solicitation would be brought back to Finance Committee for review in January 2015.

Staff and PFM recommended competitive sale of Bond Anticipation Notes to provide interim financing for the portion of the Wekiva Parkway project to be financed by a TIFIA loan. The sale of the BANs would be contingent upon receiving final approval of the TIFIA loan which would be primary source of repayment of the BANs.

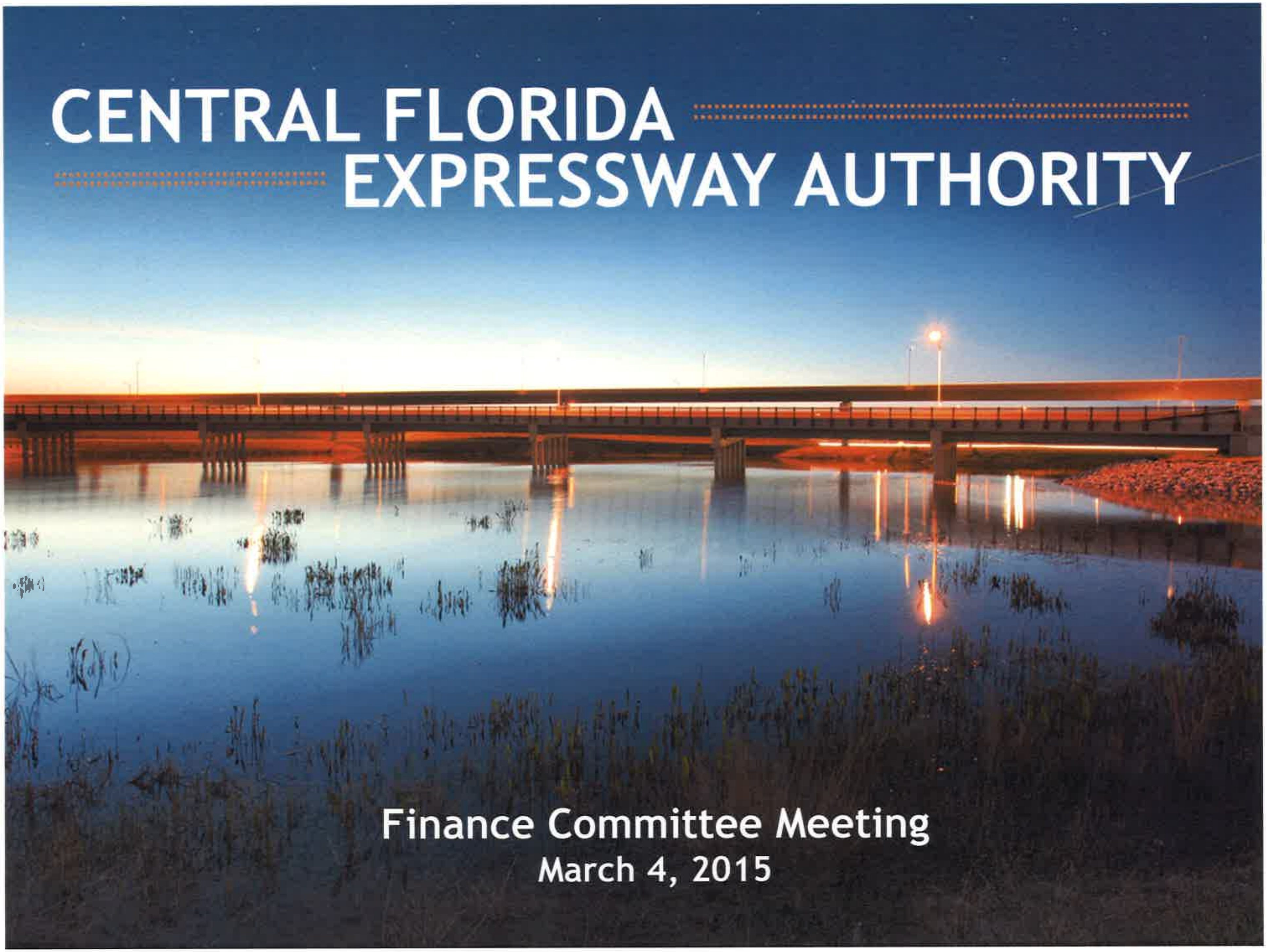
A motion was made by Mr. Winterkamp and seconded by Mr. Kurek to have a Competitive sale of Bond Anticipation Notes (BANs) pending the TIFIA approval with all assurances of the TIFIA loan in place before issuance. The motion carried unanimously.

ADJOURNMENT

The meeting adjourned at 3:06 p.m.

Pursuant to the Florida Public Records Law and CFX Records Management Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Custodian of Public Records at publicrecords@CFXway.com or 4974 ORL Tower Road, Orlando, FL 32807.

Tab B


CENTRAL FLORIDA
EXPRESSWAY AUTHORITY
Finance Committee Meeting
March 4, 2015

PRESENTATION AGENDA

I. Overview of Financial Policies

II. Debt Management

   A. 2008B1-4 Credit Facility Update

   B. TIFIA Loan Status Update

   C. Refunding Opportunity Monitoring

OVERVIEW OF FINANCIAL POLICIES

OVERVIEW OF FINANCIAL POLICIES CHANGES

- Debt Policy
  - Section II. D. Variable rate debt may be issued in various forms - e.g., bonds, commercial paper, bank lines. The amount of unhedged variable rate debt generally should not exceed 25% of all outstanding debt of the Authority. As a goal, the Authority desires its total hedged and unhedged variable rate debt not to exceed 25% of all outstanding long-term debt of the Authority. ~~This goal does not require the Authority to refund or refinance any of its existing debt, but shall restrict any additional variable rate debt exposure to the stated goal.~~
    - No longer applicable
  - Section III. B. ~~For planning purposes, the~~ The Authority shall maintain a minimum senior lien debt service coverage ratio of at least 1.45x on the existing and planned debt issues. For planning purposes, staff shall make every effort to plan for a 1.60x senior lien debt service coverage ratio.
    - Removed for clarity

OVERVIEW OF FINANCIAL POLICIES CHANGES

- Interest Rate Risk Management Policy
  - Section III. Exist Strategies - The CFO and the Authority's financial advisors and designated QIR (as defined herein) should constantly monitor market rates, termination values, counterparty credit ratings, and other relevant factors to determine if voluntary termination is warranted. Generally, a voluntary early termination will be warranted if it is economically advantageous and/or if a reduction in the Authority's current or anticipated risk can be accomplished at no cost. The Authority shall seek to maintain sufficient liquidity, including without limitation through balances in the Authority's Swap/ Debt Management Contingency, short term financing capacity, and/or other borrowing capacity, to make any Swap termination payments that may become due, to the extent not paid or payable from other sources.
    - Policy addition to assist in future swap terminations
  - Section VI. The Swap Dealer/Counterparty (6th bullet point) - The swap dealer/counterparty shall provide its financial statements showing the economic capability of the entity, the amount of its swaps outstanding and credit ratings, all of which shall be acceptable to the Authority. At the time of entering into the Swap transaction, swap dealers/counterparties (or their guarantor) shall ~~either~~ (i) be rated at least AA-/Aa3/ AA- by at least ~~two~~ one of the three nationally recognized credit rating agencies and not be rated lower than A/A2/A by any of the three nationally recognized credit rating agencies. Collateral should be required upon a downgrade from the these levels. ~~have a minimum capitalization of $100 million, or (ii) alternatively, post suitable and adequate collateral, given the undertaking involved with the particular Swap transaction.~~
    - Modifications to reflect current market participants

DEBT MANAGEMENT

2008B1-4 CREDIT FACILITY REQUEST FOR PRICING INDICATION UPDATE

- A Request for Recommendations and Pricing Indications for Letters of Credit, Direct Placement Index Floaters or other options relating to the Variable Rate Revenue Bonds, Series 2008B1-4 was distributed on November 21, 2014
  - Responses were due on December 5, 2015
  - CFX received 15 responses
    - 1 response proposed both an LOC or a direct placement
    - 5 responses proposed only LOCs
    - 5 responses proposed only direct placements
    - 5 responses proposed only recommended publicly offered alternatives

- Strategic goals in replacing LOCs and direct placements
  - Reduce credit facility expense
  - Reduce excessive covenants within current credit facility documents (acceleration, yield maintenance, etc.)
  - Reduce risk associated with LOC backed VRDO's
  - Stagger facility terminations

2008B CREDIT FACILITY REQUEST FOR PRICING INDICATION UPDATE

- The 10 responses for pricing indications for LOC's or direct placements is shown below.
  - An estimate for publicly offered floating rate notes is shown as the bottom for comparative purposes.

All-in TIC Comparison of Select Responses			
Proposals	**3-Year**	**4-Year**	**5-Year**
LOC	5.31%	5.36%	5.41%
Direct Purchase	5.30%	5.43%	5.40%
Publicly Offered FRN	5.33%	5.43%	5.53%

	Letter of Credit				Direct Purchase					
	2-Year LOC	3-Year LOC	4-Year LOC	5-Year LOC	3-Year	4-Year	5-Year	6-Year	7-Year	10-Year
RBC ($120MM)		48 bps	55 bps		SIFMA + 58 bps	SIFMA + 65 bps				
TD Bank ($120MM)		39 bps	43 bps	48 bps					70% * (1-Mo LIBOR) + 77 bps	70% * (1-Mo LIBOR) + 93 bps
BMO Harris ($130MM)		42 bps	50 bps							
Mizuho & SunTrust ($250MM)	40 bps	53 bps	65.5 bps	78.5 bps						
BTMU ($130MM)		42.5 bps	50 bps	57.5 bps						
Northern Trust ($50MM)	50 bps	55 bps								
SMBC ($150MM)		58 bps								
BAML ($218MM)					SIFMA + 46 bps	SIFMA + 58 bps	SIFMA + 73 bps		SIFMA + 93 bps ($150MM)	
Barclays ($150MM)							SIFMA + 55 bps	SIFMA + 62.5 bps	SIFMA + 67.5 bps	
PNC ($100MM)					SIFMA + 115 bps		SIFMA + 146 bps		SIFMA + 183 bps	
Wells Fargo ($250MM)					SIFMA + 47.5 bps		SIFMA + 57.5 bps			
Public FRN					SIMFA + 45 bps	SIMFA + 55 bps	SIMFA + 55 bps			

CURRENT LETTERS OF CREDIT & FLOATING RATE NOTES

- A Summary of the current facilities is provided below:

Series	Outstanding Principal	Final Maturity	LOC/FRN	Credit Provider	Expiration	Fee
2008B-1	130,870,000	7/1/2040	Letter of Credit	BMO	May 2015	65 bps
2008B-2	118,335,000	7/1/2040	Letter of Credit	TD Bank	May 2016	55 bps
2008B-3	149,655,000	7/1/2040	Floating Rate Note	Wells Fargo	March 2016	SIFMA + 67.5 bps
2008B-4	99,715,000	7/1/2040	Floating Rate Note	Wells Fargo	March 2016	SIFMA + 67.5 bps

REQUESTED ACTION ITEMS

- Direction on 2008B1-4 Request for Pricing Indications Next Steps
  - LOCs vs floating rate notes
  - Private or public offerings
  - Facility terms

TIFIA LOAN STATUS UPDATE

- Awaiting approval of the TIFIA Application
- Substantially final draft of TIFIA Loan Agreement
- Proposed Schedule:
  - March 12: Board Approval of TIFIA Loan Agreement & other financing documents
  - Week of March 16: Receive TIFIA Ratings
  - Week of March 23: Commercial Close of TIFIA Loan

REFUNDING OPPORTUNITIES

- Staff and PFM/NMC continuously monitor the Authority's debt portfolio for potential debt service savings opportunities
- The Series 2007A Bonds are eligible for an advance refunding and are the most likely potential refunding candidate
  - A summary of savings by maturity for an advance refunding of the outstanding Series 2007A Bonds is shown below
  - Only the 2032 Term Bond currently achieves CFX's minimum refunding savings threshold of 3.00% of refunded par

Series 2007A Bonds Refunding Monitor

Bond Type	Maturity Date	Call Date	Interest Rate	Par Amount	Nominal Savings	Nominal Savings Percent
TERM2032	7/1/2029	7/1/2017	5.00%	21,685,000	920,409	4.24%
TERM2032	7/1/2030	7/1/2017	5.00%	22,770,000	856,113	3.76%
TERM2032	7/1/2031	7/1/2017	5.00%	23,905,000	784,128	3.28%
TERM2032	7/1/2032	7/1/2017	5.00%	25,105,000	728,234	2.90%
TERM2035	7/1/2033	7/1/2017	4.50%	26,360,000	(877,690)	-3.33%
TERM2035	7/1/2034	7/1/2017	4.50%	27,675,000	(1,087,206)	-3.93%
TERM2035	7/1/2035	7/1/2017	4.50%	29,060,000	(1,312,427)	-4.52%
TERM2037	7/1/2036	7/1/2017	5.00%	30,515,000	482,944	1.58%
TERM2037	7/1/2037	7/1/2017	5.00%	32,040,000	447,344	1.40%
TERM2042	7/1/2038	7/1/2021	5.00%	33,640,000	(3,220,031)	-9.57%
TERM2042	7/1/2039	7/1/2021	5.00%	35,320,000	(3,445,899)	-9.76%
TERM2042	7/1/2040	7/1/2021	5.00%	37,090,000	(3,653,697)	-9.85%
TERM2042	7/1/2041	7/1/2021	5.00%	38,945,000	(3,873,659)	-9.95%
TERM2042	7/1/2042	7/1/2021	5.00%	40,890,000	(4,175,752)	-10.21%

A.

Debt Policy

Orlando-Orange County Expressway Authority

Debt Policy

FIN-2

Department: Finance

Supersedes: FIN-2 adopted 10/28/2009

Date of Board Approval: 9/26/12

Orlando Orange County Expressway Authority
Debt Policy

I. Purpose

The purpose of this Orlando-Orange County Expressway Authority (Authority) Debt Policy is to establish guidelines and a framework for the issuance and management of Authority's debt. The Authority is committed to consistent, best practices financial management, including maintaining the financial strength and flexibility of the Authority and the full and timely repayment of all financial obligations. The Authority will be open to recommendations or ideas for any proposed transaction as well as variations from the following guidelines provided that such variation shall be fully examined in conjunction with the Authority's advisors and justified to the Board of the Authority.

II. Capital Budgeting and Debt Issuance Policy

A. The Authority has retained the services of a traffic engineer and a general engineering consultant to obtain independent professional advice on the acquisition, construction, operation and management of the system, including assistance on the development of a Five-Year Work Plan and Twenty-Five Year Master Plan. The Five-Year Work Plan is typically reviewed and updated at least annually. The Twenty-Five Year Master Plan is typically updated every five years. The Authority has developed and will maintain and update, as appropriate, a comprehensive Capital Planning Model as a tool in developing a financing plan for its Five-Year Work Plan, as well as other additional longer-term capital improvements. The Capital Planning Model incorporates the following elements, in addition to other factors:

1. System revenue projections from the Authority's traffic consultant or alternative revenue projection scenarios
2. Existing debt service requirements
3. Projected Five-Year Work Plan funding needs together with estimates to complete projects beyond the five year scope
4. Projected timing of the adopted Five-Year Work Plan projects

5. Estimated additional debt service requirements
6. Estimated investment income

B. Long-term debt will be used to finance essential capital projects and certain equipment where it is cost effective, prudent or otherwise determined to be in the best interest of the Authority. Long-term debt, which includes capital lease financings, should not be used to fund the Authority's operations. The useful life of the asset or project financed with long-term debt should exceed the payout schedule of any debt issued by the Authority to finance such asset.

C. Medium-term or "put" bonds will be used judiciously and only after careful analysis and discussion of the interest rate and rollover risks involved.

D. Variable rate debt may be issued in various forms – e.g., bonds, commercial paper, bank lines. The amount of unhedged variable rate debt generally should not exceed 25% of all outstanding debt of the Authority. As a goal, the Authority desires its total hedged and unhedged variable rate debt not to exceed 25% of all outstanding long-term debt of the Authority. This goal does not require the Authority to refund or refinance any of its existing debt, but shall restrict any additional variable rate debt exposure to the stated goal.

III. Debt Service Coverage Targets and Limits

A. For the Authority to issue new bonds on a parity basis, per the Master Resolution, the Authority will need to demonstrate that revenues, as defined in the Master Resolution, shall be sufficient to cover the existing and new debt service by 1.20x.

B. For planning purposes, the Authority shall maintain a minimum senior lien debt service coverage ratio of at least 1.45x on the existing and planned debt issues. For planning purposes, staff shall make every effort to plan for a 1.60x senior lien debt service coverage ratio.

IV. Method of Sale Evaluation

The Authority will sell long-term debt on a competitive basis unless, based on the advice of the CFO and Financial Advisor, the transaction is better suited for a negotiated sale or direct placement.

A. With the goal of obtaining the lowest cost of capital and completing a successful transaction, for each transaction recommended, the CFO, with advice from the Financial Advisor, will undertake an analysis to determine the recommended method of sale, including competitive, negotiated, or direct placement.

B. The evaluation will take into consideration, among other factors the following considerations as outlined in the Government Finance Officers' Association (GFOA) best practice recommendations:
   1. Expected credit rating of bonds being issued
   2. Strength of revenue stream
   3. Structure of bonds and potential need for extensive explanation to the bond market
   4. Use of insurance or other credit enhancement
   5. Other factors that staff, in consultation with the financial advisor, believes favor the use of one method over the other.

C. The evaluation will be shared with the Finance Committee and a recommendation as to the method of sale will be presented.

D. Should the Authority select the use of a negotiated sale, the following guidelines will be followed to increase the likelihood of a successful transaction and fully documents negotiated sale process:
   1. Underwriters will be selected through a formal RFP process under the Authority's Procurement Policies.
   2. The Authority's Financial Advisor will advise the Authority on all aspects of the sale, including but not limited to structuring, disclosure preparation and bond pricing.
   3. Staff and the Financial Advisor will make a recommendation for lead underwriting firm and all participating co-senior and co-manager firms based on:
      a. results of most recent RFP selection
      b. firm's contribution to development of strategies for transaction
      c. demonstrated ability of firm to successfully underwrite similar transaction
      d. previous work assigned to firm under current RFP selection.
   4. Staff and the financial advisor shall review the Agreement Among Underwriters and ensure that it governs all transactions during the underwriting period.
   5. Staff and the Financial Advisor shall review all orders and allocations to ensure compliance with the distribution rules and shall record the results at the conclusion of the sale.
   6. The Financial Advisor shall prepare a post-sale summary and analysis that documents the pricing of the bonds relative to other similar transactions priced at or near the time of the Authority's bond sale, and record the true interest cost of the sale and the date of the verbal award. The analysis shall be shared with the Finance Committee.

E. Should a direct placement be recommended, staff and the Financial Advisor shall undertake a competitive process for selecting the placement party to ensure any the Authority's objectives are met at the lowest cost of capital. Such process may include a formal RFP or solicitation of pricing indications, as appropriate.

V. Debt Structure

A. In general, the Authority will seek to structure long-term debt so that it provides for level annual payments of principal and interest over the life of each respective issue, after a period of interest only payments and the use of capitalized interest, as appropriate, for the respective issue in order to effectively interface with other existing debt of the Authority and within the context of the Five-Year Work Plan and other considerations within this Debt Management Policy. The Authority may utilize various debt structures to accomplish its financing goals, including but not limited, to the use of premium bonds, discount bonds, capital appreciation bonds, variable rate and multimodal bonds and capitalized interest, when appropriate in order to achieve the goals provided in this Debt Management Policy.

B. The Authority will consider interest rate swap transactions only as they relate to its debt management program and not as an investment instrument. No swap transaction should impair the outstanding uninsured bond rating of the Authority. Additionally, no interest rate swap transactions will be considered if it causes the Authority to exceed the targets in its Interest Rate Risk Management Policy. (For additional details, see Authority's Interest Rate Risk Management Policy.)

VI. Call Provisions

A. Call provisions for the Authority bond issues shall be made as short as possible consistent with the lowest interest cost to the Authority, taking into consideration the option value of such call provisions.

B. When possible, all Authority bonds shall be callable only at par.

VII. Debt Refunding

The Authority staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding or refinancing outstanding debt. As a general rule, the present value savings of a particular refunding should equal or exceed 3% of the refunded maturities. For an advance refunding a higher minimum savings threshold should be required, depending on how soon the bonds may be called. However, in order to meet certain restructuring or risk management goals, the Authority may elect to lower the present value savings threshold for any individual transaction.

VIII. Credit Enhancement and Liquidity

Bond insurance, surety policies, letters of credit, liquidity facilities and other credit enhancements or liquidity facilities will be used when it provides economic savings or risk management opportunities for the Authority.

IX. Continuing Disclosure

The Authority is committed to providing continuing disclosure of financial and pertinent credit information relevant to the Authority's outstanding securities, and has and will continue to comply with those provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosure. The Authority has engaged the services of Disclosure Counsel to provide guidance and advice to the Authority concerning securities law and disclosure issues.

Additionally, the Authority will maintain financial information on its website to provide timely information to the market and public. Such information will include, but not be limited to, comprehensive annual financial reports, monthly cash flow reports, reports on revenue and expenses, transactional information, current official traffic and revenue forecasts and current year budgets. It will be noted that monthly financial information will not be audited and will not be reported on a full accrual basis, but is available to provide timely information to interested parties.

X. Credit Objectives

A. It is the Authority's intent to maintain and improve the credit ratings on its outstanding and proposed bond issues. The Authority will maintain long-term debt ratings from at least two of the three major bond rating agencies – Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings. The Authority may discontinue the use of ratings from any agency which currently rates the debt of the Authority if, based on advice from the Authority's Financial Advisor and underwriting team, the discontinuance of such rating will not adversely affect the rates that can be achieved in selling the Authority's debt without such rating.

B. The Authority's CFO will maintain frequent communications with the credit rating agencies that currently assign ratings to the Authority's various debt obligations, bank credit providers/lenders, and bond insurers that currently enhance any of the Authority's various debt obligations. This effort shall include providing periodic updates on the Authority's general financial condition along with coordinating meetings and presentations, as necessary, in conjunction with a new debt issuance.

C. The Authority's CFO will develop, in conjunction with the Financial Advisor and Disclosure Counsel, an investor relations program that will be designed to keep present and future investors in the Authority's debt fully informed on current developments related to the Authority and its long-term debt.

XI. On-going Reporting Requirements

At least twice each year, the Board shall receive a report on the status its debt. The report shall at a minimum include:

- Amount and percentage of total debt by categories:
  - natural fixed
  - synthetic fixed
  - natural variable
  - synthetic variable
- Current mark-to-market value of all interest rate exchange agreements
- Historical rate performance for all variable rate bonds
- Any changes in ratings for credit enhancers and swap counterparty

The Authority's CFO, with the assistance of the financial advisor, shall be responsible for analyzing any unsolicited proposals received relative to debt issues, responding to the proposal as appropriate, and recommending to the Finance Committee any action to be taken in a timely manner.

XII. Policy Review

This policy shall be reviewed at least every two years.

APPROVED AND ADOPTED BY THE BOARD ON Sept. 26, 2012

History of Policy

- 12/10/2002
- 10/28/2009
- 9/26/2012

EXPRESSWAY
AUTHORITY

ORLANDO - ORANGE COUNTY

4974 ORL TOWER RD., ORLANDO, FLORIDA 32807
TELEPHONE (407) 690-5000 • FAX (407) 690-5011 • WWW.OOCEA.COM

NOTICE OF INTENT TO AMEND ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY'S DEBT POLICY

On September 26, 2012, the Orlando-Orange County Expressway Authority, by and through its governing body, shall consider amending its Debt Policy.

The amendments shall take effect upon passage.

Dated this 13th day of September, 2012.

Darleen Mazzillo

Darleen Mazzillo
Executive Assistant

Resolution No. **2012- 153.**

A RESOLUTION OF THE ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY AMENDING THE DEBT POLICY

WHEREAS, the Orlando-Orange County Expressway Authority ("OOCEA") previously adopted its "Debt Policy" on October 28, 2009 establishing the protocol for issuance and management of debt; and

WHEREAS, OOCEA's governing Board desires to update the Debt Policy.

NOW, THEREFORE, BE IT RESOLVED BY THE ORLANDO-ORANGE COUNTY EXPRESSWAY AUTHORITY as follows:

Section 1. ADOPTION. The current "Debt Policy" shall be amended in accordance with the "Debt Policy" attached hereto as Exhibit "A".

Section 2. EFFECTIVE DATE. This policy shall take effect upon adoption by the OOCEA governing board.

ADOPTED this 26th day of September, 2012.

Walter A. Ketcham, Jr.
Chairman

ATTEST:
Darleen Mazzillo
Executive Assistant

Approved as to form and legality

Joseph L. Passiatore
General Counsel

EXPRESSWAY
AUTHORITY

ORLANDO - ORANGE COUNTY

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MEMORANDUM

TO: Members of the Board

FROM: Nita Crowder, Chief Financial Officer

DATE: September 7, 2012

RE: Adoption of Revised Debt and Interest Rate Risk Management Policies

The Authority's Debt and Interest Rate Risk Management policies each require review every two years. Staff and our financial advisor have worked together to make recommendations that more closely reflect the Board's current risk profile as well as current practices in place. Such significant changes and additions have been made that rather than providing a redline version, I've highlighted the substantive changes here:

Debt Policy:

- Section II. C. restricts the use of medium-term or short-term debt to providing interim funding for capital projects or improving the match of assets to liabilities.
- The previous policy set a goal of reducing the Authority's total hedged and unhedged variable rate debt to 35% of all outstanding long-term debt. Based on feedback from the Board and rating changes, we recommend a new goal of 25% (Section II. D.)
- The existing policy requires the Authority plan to a 1.45x debt service coverage ratio. Reference to the current planning ratio of 1.60x debt service coverage ratio has been added and staff is directed to make every effort to comply with the higher ratio in the planning processes (Section III.B.)
- We inserted a Method of Sale Evaluation Section (IV.), which outlines the process the Authority uses to determine how debt is procured.
- The Credit Objectives Section (X.) was expanded to reflect the Authority's commitment and focus on maintaining its credit standings. This section also addresses investor relations, which has become more important post-credit crisis.

Interest Rate Risk Management Policy:

- Section I reflects the most significant changes which focus on the goal of cost-effectively reducing existing or potential risks. Also, the goal of reducing synthetic fixed rate debt to 25% of outstanding debt is restated here and in Section III. New or replacement agreements will only be used when exposure is not increased and a reduction in actual or potential risks are accomplished.
- Sections IV through VII outline the process to be undertaken when considering or executing new or replacement transactions.

The Finance Committee has recommended that the Board approve these policies as presented.

cc: Max Crumit, Executive Director
Consent Agenda 09/12

B.

Interest Rate Risk Management Policy

EXPRESSWAY
AUTHORITY

Orlando-Orange County Expressway Authority

Interest Rate Risk Management Policy

FIN-7

Department: Finance

Supersedes: FIN-7 adopted 9/26/12

Date of Board Approval: 7/24/13

History of Policy

- 12/10/2002 (Created as Swap Policy)
- 10/28/2009 (Name changed to Interest Rate Risk Management Policy)
- 9/26/2012
- 7/23/2013

EXPRESSWAY
AUTHORITY

Orlando Orange County Expressway Authority
Interest Rate Risk Management Policy

The Orlando-Orange County Expressway Authority (the "Authority") currently has a number of interest rate exchange agreements (Swaps) with a number of counterparties. As used herein, "Swap" shall mean a "swap," as defined in the Section 1a(47) of the Commodity Exchange Act and the U.S. Commodity Futures Trading Commission ("CFTC") Regulations. This policy will govern how the Swaps, together with the associated variable rate demand bonds, will be managed to provide the optimal balance of costs and risk. This policy should be read and interpreted in the context of the Authority's Debt Policy.

I. Goals and Objectives

The overall objective in managing the Authority's debt portfolio and interest rate risk is to balance the cost of capital with the management of risk. The Authority's risk tolerance is low and therefore, opportunities to cost-effectively reduce existing or potential risks should be constantly evaluated for feasibility.

The Authority has set a limit of synthetic fixed rate debt at 25% of the total outstanding debt. This goal should be considered as the Authority manages its Swap portfolio and its overall debt program. New Swaps will only be considered where the overall exposure to like transactions is not increased beyond the stated limit. New, novated or amended Swaps may also be considered where a reduction in actual or potential risks may be accomplished.

It is also the Authority's goal to limit exposure to individual swap dealers/counterparties to no more than 30% of the total notional amount of the Authority's active Swap portfolio. Although this requirement shall not require the Authority to terminate, novate or amend existing Swaps absent of other risk considerations, it does prohibit new Swaps to be considered if the new Swap would cause the Authority's exposure to any individual swap dealer/counterparty to increase beyond 30% of the then existing total notional amount of the Authority's active Swap portfolio.

II. Monitoring and Reporting of Existing Transactions

As part of the semi-annual debt report provided to the Board (in accordance with the Authority's Debt Policy), the CFO will report the current credit ratings of each swap dealer/counterparty with which it has an existing Swap and the mark-to-market value of each Swap. In addition to reporting the weekly rates on the variable rate bonds in the semi-annual debt report, the CFO will provide the Finance Committee with a quarterly remarketing report and review the results at the next scheduled meeting. As necessary, the CFO, in consultation with the Authority's financial advisors, will make recommendations to address any rate dislocation including, but not limited to, changing remarketing agents or credit providers, depending on the underlying cause of the dislocation.

III. Exit Strategies

The CFO and the Authority's financial advisors and designated QIR (as defined herein) should constantly monitor market rates, termination values, counterparty credit ratings, and other relevant factors to determine if voluntary termination is warranted. Generally, a voluntary early termination will be warranted if it is economically advantageous and/or if a reduction in the Authority's current or anticipated risk can be accomplished at no cost.

IV. Evaluation of Proposed Transactions

While the Authority's current goals would exclude contemplation of new derivative products, the replacement of existing Swap transactions with new ones may be the most cost-beneficial method of managing risks. For that reason, this section outlines the process for evaluating and executing new transactions.

A. Review and Analysis

The proposed use of structured products must comply with all goals and provisions of the Authority's existing policies. Each Swap transaction will be evaluated as an alternative to traditional, intermediate, or long-term financing options. Consideration should be given to their comparable cost, ease of entry and exit provisions, and degree of potential risk exposure, quantified to the greatest extent possible. Any proposed Swap transaction must fit into the Authority's goals to limit the percentage of variable rate debt and exposure to individual counterparties.

The Authority's designated QIR will provide independent analysis of any proposed Swap transaction, including an analysis of the relevant benefits and risks of such transaction. The Authority's cost of the transaction and any ongoing costs, such as remarketing, credit enhancement and/or liquidity, swap advisors, financial advisors, attorney fees and other necessary costs will be included in the cost/benefit evaluations. A review of provisions required by bond and/or swap insurance providers and the cost/benefit of such insurance will also be included in an evaluation of the Swap transaction.

B. Legal Analysis

The documentation of the Swap shall be in the form of an enforceable written contract. Whenever possible, those contracts shall be transacted using Florida law or, as an alternative New York law with Florida law as to the Authority's authority and Orange County, Florida as to jurisdiction or venue. Review of compliance with existing law and regulation (including but not limited to the Internal Revenue Code and CFTC Regulations), bond indentures and bond covenants should be completed before implementation of a Swap transaction.

V. Transaction Management and Execution

Swap transactions will:

- Comply with all applicable outstanding bond resolutions, insurance covenants, and Florida law.
- Contain terms and conditions as set forth in the International Swap and Derivatives Association, Inc. ("ISDA") Master Agreement, Schedules to the Master, Credit Support Annex and confirmation.

- Be a market transaction for which competing good faith market quotations may be obtained and with the advice and recommendation of the Authority's designated QIR, and other financial professionals.
- Include a provision for the right to early termination at market under the guidelines of the ISDA Agreement. The transaction should allow for the Authority to exercise the right to optionally terminate the agreement, at the then prevailing market value of the Swap.
- Produce material economic or risk management benefit believed to not otherwise be attainable under the currently existing market conditions, or existing conventional debt structures, and improve the flexibility of debt management strategies.
- Not introduce leverage solely for the means of producing economic benefit. Transactions will not be speculative in nature.
- Not unduly impair the Authority's utilization of call features on outstanding bonds.
- Employ structures that will attempt to minimize existing risks and do not substantially add new risks, including but not limited to, any additional floating rate basis risk, tax-law risk or credit risk to the Authority.
- Not cause the total amount of Swap transactions to exceed the debt management limitations for fixed or floating debt.

VI. The Swap Dealer/Counterparty

The following criteria will be used when considering swap dealers/counterparties for a Swap transaction:

- The swap dealer/counterparty must fully disclose all costs. All fees and expenses paid by the swap dealer/counterparty and to designated third parties, will be fully disclosed in writing to the Authority.
- The Authority will consider acquiring downgrade protection when possible including collateral or credit support.
- The assignment of a Swap agreement will not be permitted without the consent of the Authority.
- The Authority will attempt to utilize domestically domiciled swap dealers/counterparties and/or utilize ISDA documentation which employs local currency-single jurisdiction status.
- The swap dealer/counterparty shall disclose relationships with other third parties which may affect the transaction, such as broker dealers, insurance companies and other swap providers.
- The swap dealer/counterparty shall provide its financial statements showing the economic capability of the entity, the amount of its swaps outstanding and credit ratings, all of which shall be acceptable to the Authority. At the time of entering into the Swap transaction, swap dealers/counterparties shall either (i) be rated at least AA-/ Aa3/ AA-by at least two of the three nationally recognized credit rating agencies and have a minimum capitalization of $100 million, or (ii) alternatively, post suitable and adequate collateral, given the undertaking involved with the particular Swap transaction.

VII. Authority's Representations with Respect to Swaps and QIR

Solely for purposes of the rules adopted by the CFTC governing business conduct standards for swap dealers and other parties as they apply to communications regarding Swaps, the Executive Director or CFO may make substantially the following representations in writing on behalf of the Authority when requested by the swap dealer/counterparty.

(1) The Authority will not rely on any "recommendation" (as such term is used in CFTC Regulations §23.434 and §23.440) provided by a swap dealer/counterparty with respect to a Swap;

(2) The Authority will rely on advice from a "qualified independent representative" designated by the Authority and that it has complied in good faith with written policies and procedures reasonably designed to ensure that it has designated a "qualified independent representative" that satisfies the applicable requirements of CFTC Regulation §23.450(b);

(3) The Authority will exercise independent judgment in evaluating any "recommendations" made by the swap dealer/counterparty with regard to a Swap; and

(4) The Authority understands that the swap dealer/counterparty is not expressing any opinion as to whether the Authority should enter into or terminate a Swap.

VIII. Use of Qualified Independent Representative

In compliance with the CFTC Regulations promulgated under the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended (the "Dodd-Frank Act"), the Authority will designate a "qualified independent representative" ("QIR") for all Swap related transactions, including terminations. The QIR must be capable of independently evaluating the risks of the Swap, independently evaluating the fair pricing of the Swap (including termination payments), and of making timely and effective disclosures to the Authority (including with regard to material conflicts of interest that could reasonably affect the judgment or decision making of the QIR with respect to its obligations to the Authority). The QIR must represent to the Authority that:

A) The QIR has sufficient knowledge and expertise to independently evaluate the Swap, the risks of the Swap, the fair pricing of the Swap (including termination payments) and the appropriateness of the Swap for the Authority (taking into consideration the written policies of the Authority);

B) The QIR is not subject to a statutory or regulatory disqualification or any final disciplinary action that would prevent it from effectively serving as a representative to the Authority in such capacity;

C) The QIR, by accepting such designation by the Authority, is undertaking a duty to act in the best interests of the Authority;

D) The QIR has written policies and procedures reasonably designed to ensure that it satisfies the applicable requirements of CFTC Regulation §23.450(b)(1);

E) The QIR will exercise independent judgment in evaluating any "recommendations" (as such term is used in CFTC Regulations §23.434 and §23.440) presented to it by the swap dealer/counterparty with regard to a Swap;

F) The QIR is not and, within one year of representing the Authority in connection with the Swap has not been, an "associated person," as such term is defined in Section 1a(4) of the Commodity Exchange Act, of the swap dealer/counterparty;

G) There is no "principal relationship" (as that term is defined in CFTC Regulation §23.450(a)(1)) between the QIR and the swap dealer/counterparty;

H) The QIR (a) will provide timely and effective disclosures to the Authority of all material conflicts of interest that could reasonably affect the judgment or decision making of the QIR with respect to its obligations to the Authority and (b) will comply with policies and procedures reasonably designed to manage and mitigate such material conflicts of interest;

I) The QIR is not directly or indirectly, through one or more persons, controlled by, in control of, or under common control with the swap dealer/counterparty;

J) To the best of the QIR's knowledge, the swap dealer/counterparty did not refer, recommend, or introduce the QIR to the Authority within one year of QIR's representation of the Authority in connection with the Swap;

K) The QIR is legally obligated to comply with the applicable requirements of CFTC Regulation §23.450(b)(1) by agreement, condition of employment, law, rule, regulation, or other enforceable duty; and

L) The QIR has registered with the CFTC as a commodity trading advisor and/or with the Securities Exchange Commission as an investment advisor under the Investment Advisers Act of 1940.

The QIR must also agree to promptly notify the Authority in writing if any representations made by the QIR referenced above become incorrect or misleading in any material respect. For any representation that would be incorrect or misleading in any material respect if repeated on any date following the date on which the representation was last repeated, the QIR shall timely amend such representation by giving written notice of such amendment to the Authority. The designated QIR must annually reaffirm in writing to the Authority by delivery to the CFO on each July 1st the representations outlined in A through L above.

The QIR will be retained by the Authority through the Authority's implemented procurement procedures (i.e. RFP, RFQ, etc.) using selection criteria that ensure the designated QIR possesses the capabilities necessary to independently evaluate the risks of the Swap, to independently evaluate the fair pricing of the Swap (including termination payments), and to make timely and appropriate disclosures to the Authority. The procurement of the QIR may be done in conjunction with the Authority's procurement of its financial advisor. If the Authority's financial advisor, or its registered commodity trading advisor or investment advisor affiliate, possesses the requisite capabilities and, by written contract, makes the representations set forth above, then the Authority may designate its financial advisor, or its registered investment advisor affiliate, as the QIR.

To ensure compliance with the provisions above, the Authority will designate the QIR in writing. The QIR must provide evidence of its registration with the CFTC as a commodity trading advisor and/or with the Securities Exchange Commission as an investment advisor prior to being designated as the Authority's QIR. The designation can be done in the context of the financial advisor contract or amendment thereto with the financial advisor or its registered commodity trading advisor or investment advisor affiliate, or in a separate contract with a different firm. Prior to executing a Swap transaction, termination or novation, the Authority will obtain from the designated QIR the written representations outlined in A through L above. If the designated QIR is unable to provide such representations in a timely manner, the Authority may utilize an expedited quote process to select a new designated QIR to facilitate a time and market sensitive transaction. The CFO will monitor the performance of the designated QIR and that the designated QIR demonstrates on each transaction that (1) it has the knowledge and expertise to independently evaluate the Swap, the risks of the Swap, the fair pricing of the Swap (including termination payments) and the appropriateness of the Swap for the Authority, (2) it is independent of the swap dealer/counterparty, (3) it is acting in the best interest of the Authority and (4) it makes timely and appropriate disclosures to the Authority, when applicable.

IX. Transaction Pricing

When procuring a Swap, every effort shall be made to ensure competitive pricing. The complexity of circumstances surrounding Swap transactions and meeting goals to limit exposure to individual swap dealers/counterparties may be valid reasons to negotiate, rather than competitively price, a particular Swap transaction. The CFO, upon the advice of the designated QIR, will make a recommendation to the Finance Committee as to the method of pricing and the swap dealer/counterparty selection. The designated QIR will evaluate prices and rates to ensure Swap transactions are at or below market. Similarly, the Authority will make every effort to competitively price the unwinding or termination of Swap transactions. The CFO, upon the advice of the designated QIR will make a recommendation as to the method of selecting swap dealers/counterparties for unwinding or terminating a Swap when not selecting all Swaps in a series. Offers from swap dealers/counterparties to unwind or terminate a Swap transaction below market is an example of a reason to negotiate with specific swap dealers/counterparties.

X. Policy Review

This policy shall be reviewed on a bi-annual basis.

APPROVED AND ADOPTED BY THE BOARD ON July 24, 2013.

SHUTTS & BOWEN LLP

Founded 1910

MEMORANDUM

TO:	Members of the Board Orlando-Orange County Expressway Authority 4974 ORL Tower Road Orlando, FL 32807
FROM:	Steven J. Zucker Shutts & Bowen LLP, as Issuer's Counsel to the Authority
DATE:	July 17, 2013
RE:	Approval of the Interest Rate Risk Management Policy as revised and Approval and Authorization for Execution of the First Amendment to Contract No. 000833

The U.S. Commodity Futures Trading Commission ("CFTC") has adopted regulations governing business conduct standards for swap dealers/counterparties that apply to communications regarding Swap transactions, which regulations went into effect on May 1, 2013. For a swap dealer/counterparty to engage in communications with certain types of "special entities" such as the Authority, the swap dealer/counterparty must either (1) conduct due diligence as to the special entity's ability, knowledge and experience with regard evaluating the appropriateness and risks of a Swap transaction or (2) be able to rely on (a) certain written representations of the special entity regarding such knowledge and experience or (b) the special entity having retained the services of a "qualified independent representative" possessing such knowledge and experience. Part (2) above provides a "safe harbor" to the swap dealer/counterparty under the CFTC Regulations.

To satisfy the documentation requirements and conditions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended (the "Dodd-Frank Act") and the CFTC regulations promulgated under the Dodd-Frank Act which would enable a swap dealer/counterparty to communicate with the Authority under the "safe harbor" regarding the Authority's Swap transactions, there have been prepared (1) revisions to the Authority's Interest Rate Risk Management Policy concerning the procurement and ongoing monitoring of a "qualified independent representative" that meets the requirements of CFTC Regulation §23.450 and (2) a First Amendment to the Financial Advisor Services Contract No. 000833 to specifically include PFM Asset Management LLC as the designated qualified independent representative for the Authority with regard to swap advisory services and to set forth certain disclosures, representations and agreements of PFM Asset Management LLC in compliance with the CFTC Regulations.

Approval of the revised Interest Rate Risk Management Policy is requested, which also permits the Executive Director or Chief Financial Officer to make the necessary representations on behalf of the Authority to any swap dealer/counterparty as appropriate, and approval and authorization for execution of the First Amendment to the Financial Advisor Services Contract No. 000833 is requested, thus designating PFM Asset Management LLC as the Authority's qualified independent representative.

Attachments

Cc: Max Crumit, P.E.
Laura Kelley
Consent Agenda 07/2013

Tab C

Central Florida Expressway Authority
Request for Pricing Indication Summary Matrix
DRAFT

	Central Florida Expressway Authority Request for Proposal: Letter of Credit and/or Direct Placement Index Floaters		RBC Capital Markets	TD Bank	BMO Harris	Mizuho Bank, Ltd. & SunTrust Robinson Humphrey, Inc.
			Letter of Credit or Direct Purchase	Letter of Credit or Direct Purchase	Letter of Credit	Letter of Credit
	Primary Contact Information		Michael Lexton Managing Director 212-905-5907 michael.lexton@rbccm.com	Delle Joseph, CPA Municipal Lending Group Manager 305-441-5692 Delle.joseph@td.com	John M. Mattern Managing Director 312-461-3295 John.Mattern@bmo.com	Brian S. Orth First Vice President 407-237-6764 Brian.orth@suntrust.com
	LOC Terms and Conditions					
1	Maximum LOC Commitment Amount		$120,000,000	$119,696,663	$130,870,000	$250,000,000
1	Term	2-Year	N/A	N/A	N/A	40 bps
1	Term	3-Year	48 bps	39 bps	42 bps	53 bps
1	Term	4-Year	55 bps	43 bps	50 bps	65.5 bps
1	Term	5-Year	N/A	48 bps	N/A	78.5 bps
1	Draw Fee		$300	$200	$300	$250
1	Interest Rate on Liquidity Draws		Days 1-90: Base Rate 91-180: Base Rate + 1.00% Thereafter: Base + 2.00% Base Rate: Greater of (i) Prime + 2.5%, (ii) Fed Funds + 3.0% and (iii) 8.0%	Days 1-90: Bank Prime Rate Thereafter: Bank Prime Rate + 1%	Same as current	Days 1-90: Base Rate 91-180: Base Rate + 1.00% Thereafter: Base + 2.00%
1	Default Interest Rate		Greater of (i) Base Rate + 4.0% and (ii) 12% per annum	Prime Rate + 3%	Same as current	Base Rate + 3%
1	Transfer Fee		$2,500	None	$1,000	$2,500
1	Upfront Fees		None	None	None	None
1	Termination Fees		First-year only, annual amounts due	3-Year Facility: Annual fee if terminated prior to 2nd anniversary 4-Year or 5-Year Facility: 2 x Annual fee if terminated prior to 3rd anniversary	Same as current	None
1	Other		Amendment and documentation fees	Amendment Fee: $2,500	None	None
	Direct Placement Terms and Conditions					
2	Direct Placement Index Floater		$120,000,000	$118,500,000	N/A	N/A
2	Fee		N/A	4 basis points of Facility Amount paid at Closing		
2	Term	3-Year	SIFMA + 58 bps	N/A		
2	Term	4-Year	SIFMA + 65 bps	N/A		
2	Term	5-Year	N/A	N/A		
2	Term	Other	N/A	7-Year: 70% OF (1-Month LIBOR) + 77 bps 10-Year: 70% OF (1-Month LIBOR) + 93 bps		
2	Termination Provisions		Not Provided	Option A: Prepayment penalty of 1% of refunded par or "Yield Maintenance Fee" for the first 5 years Option B: No prepayment penalty for 4bps rate adjustment		
2	Additional Conditions		Usual and customary	Default Interest Rate: 6% in excess of interest rate at time of Event of Default		
	Other Terms and Conditions					
3	Counsel		David Field Chapman and Cutler LLP 312-845-3792 dfield@chapman.com	Morris G. (Skip) Miller Greenspoon Marder 561-838-4556 skip.miller@gmlaw.com	Carol Thompson Chapman and Cutler 312-845-3765	David Field Chapman and Cutler LLP 312-845-3792 dfield@chapman.com
4	Max Legal Fees		$40,000 estimate, $45,000 cap	$15,000	$10,000	$25,000 estimate, $30,000 cap
5	Out-of-Pocket Fees		All costs and expenses	All costs and expenses	None	None
7	Additional Conditions/ Financial Covenants		1.) Downgrade Provisions Apply 2.) Increased Cost Provisions 3.) Clawback Language 4.) Most Favored Nations Clause 5.) Event of Taxability 6.) Purchaser's right to sale and transfer of the Direct Placement Index Floater	1.) Downgrade Provisions Apply 2.) Change in law & Capital Adequacy Language 3.) Acceleration	Same as current	1.) Downgrade provisions apply 2.) The Increased Costs Provision in the Existing Reimbursement Agreement modified to included protection against changes in Bank liquidity requirements 3.) Clawback provision for changes in maximum permissible rate
8	Term Out Provision		Rate: Greater of: (i) Prime + 2.5%, (ii) Fed Funds + 3.0%, (iii) Index Rate + 3.0% and (iv) 12% Period: 5 years (fully amortizing)	Rate: Prime Rate + 2% Period: 5 years (fully amortizing)	Same as current	Rate: Bank Rate Period: 5 years (fully amortizing)
9	Approval Required?		Yes	Yes	Yes	Yes
10	Other Recommendations		Publicly offered Floating Rate Notes	1.) Direct placement option with a fixed rate and a 10-year Bank Put Option. Indicative Rates of: 2.55% for 10-years and 2.18% for 7-years	None	None

6	Credit Ratings	RBC Capital Markets			TD Bank Long Term		TD Bank Short Term	BMO Harris Long Term		BMO Harris Short Term	Mizuho Long Term		Mizuho Short Term
6	Moody's	Aa3	Negative	P-1	Aa3		P-1	Aa3	Negative	P-1	A1	Stable	P-1
6	S&P	AA	Stable	F1+	AA-		A-1+	A+	Negative	A-1	A+	Negative	A-1
6	Fitch	AA-	Negative	A-1+	AA-		F-1	AA-	Stable	F-1+	A-	Stable	F1

Central Florida Expressway Authority
Request for Pricing Indication Summary Matrix
DRAFT

#	Central Florida Expressway Authority Request for Proposal: Letter of Credit and/or Direct Placement Index Floaters		MUFG Bank of Tokyo-Mitsubishi, UFJ, Ltd.	Northern Trust	SMBC	Bank of America Merrill Lynch
			Letter of Credit	Letter of Credit	Letter of Credit or Direct Purchase	Direct Placement
	Primary Contact Information		Nicholas Boyle Managing Director 214-954-1007 nboyle@us.mufg.jp	Allan R. Ambrose Senior Vice President 312-935-5825 ara1@ntrs.com	Adam Sherman Executive Director 212-224-4859 asherman@smbcif.com	Joe R. Miller Senior Vice President 850-934-5946 j.r.miller@baml.com
	LOC Terms and Conditions					
1	Maximum LOC Commitment Amount		$130,870,000	$50,000,000	$150,000,000	N/A
1	Term	2-Year	N/A	50 bps	N/A	
1	Term	3-Year	42.5 bps	55 bps	58 bps	
1	Term	4-Year	50 bps	N/A	N/A	
1	Term	5-Year	57.5.5 bps	N/A	N/A	
1	Draw Fee		$250	$250	$300	
1	Interest Rate on Liquidity Draws		Base Rate: Greatest of: (i) Prime Rate plus 2.0% (ii) Federal Funds Rate plus 4.0% and (iii) 7.5% (floor) Bank Rate: Base Rate + 1.0%	Prime + 2.0%	Days 1-30: Base Rate 31-90 Days: Base Rate + 1% Thereafter: Default Rate	
1	Default Interest Rate		Facility Fee Rate + 150 bps/Base Rate + 2.0%	Prime + 3.0%	Base Rate + 4%	
1	Transfer Fee		$2,500	None	$5,000	
1	Upfront Fees		None	None	None	
1	Termination Fees		First-year only, annual amounts due	None	Annual fee if terminated prior to 1st anniversary	
1	Other		Amendment Fee: $2,500	None	Amendment Fee: $5,000 Audit Confirmation Fee: $50 per request Downgrade Provisions Apply	
	Direct Placement Terms and Conditions					
2	Direct Placement Index Floater		N/A	N/A	N/A	$218,000,000
2	Fee					N/A
2	Term	3-Year				SIFMA + 46 bps
2	Term	4-Year				SIFMA + 58 bps
2	Term	5-Year				SIFMA + 73 bps
2	Term	Other				7-Year Term for $150MM: SIFMA + 93 bps
2	Termination Provisions					Term: / Termination Fee applies thru: 3-Year 1st anniversary 4-Year 1st anniversary 5-Year 2nd anniversary 7-Year 3rd anniversary
2	Additional Conditions					Usual and customary
	Other Terms and Conditions					
3	Counsel		Nathan Odem Chapman and Cutler LLP 312-845-3782	Raymond Fricke Ungaretti & Harris LLP 312-977-4400	David Field Chapman & Cutler LLP 312-845-3792 dfield@chapman.com Maki Miyazaki Yumoto, Ota & Miyazaki 1-3-3234-2441 mmiyazaki@yumoto-ota.gr.jp	Mark Raymond 561-775-8440 mark.raymond@mraymondlaw.com
4	Max Legal Fees		$45,000 domestic; $4,500 foreign	$40,000	$40,000 / $5,000	$25,000
5	Out-of-Pocket Fees		None	None	All costs and expenses	$2,500

6 Credit Ratings	MUFG Long Term		MUFG Short Term	Northern Trust Long Term		Northern Trust Short Term	SMBC Long Term		SMBC Short Term	BofA Merrill Lynch Long Term	BofA Merrill Lynch Short Term
Moody's	A1	Stable	P-1	A1	Stable	P-1	A1	Stable	P-1	N/A	
S&P	A+	Stable	A-1	AA-	Stable	A-1+	A+	Negative	A-1		
Fitch	A	Stable	F1	AA-	Stable	F1+	A-	Stable	F1		

		MUFG Bank of Tokyo-Mitsubishi, UFJ, Ltd.	Northern Trust	SMBC	Bank of America Merrill Lynch
7	Additional Conditions/ Financial Covenants	1.) Downgrade provisions apply 2.) Change in law language 3.) Clawback provision for changes in maximum permissible rate 4.) See proposal	1.) Most favored nation clause	1.) Downgrade provisions apply 2.) Increased Cost and Capital Adequacy Language 3.) Clawback provision for changes in maximum permissible rate	1.) Downgrade provisions apply 2.) Taxability Provision 3.) Acceleration
8	Term Out Provision	Rate: Base Rate Period: 5 years (fully amortizing)	Rate: Prime + 2.0% Period: 3 years (fully amortizing)	Term Loan Rate: Base Rate + 2% Period: 5 years (fully amortizing)	Not Provided
9	Approval Required?	Yes	Yes	Yes	Yes
10	Other Recommendations	None	None	None	None

Central Florida Expressway Authority
Request for Pricing Indication Summary Matrix
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	Central Florida Expressway Authority Request for Proposal: Letter of Credit and/or Direct Placement Index Floaters	Barclays	PNC	Wells Fargo	Raymond James
		Direct Placement	Direct Placement	Direct Placement	FRNs
	Primary Contact Information	James Saakvitne Managing Director 212-528-1053 James.Saakvitne@barclays.com	Jerry Stanforth Senior Vice President 407-428-3003 jerry.stanforth@pnc.com	Todd Morley Senior Vice President 407-649-5638 todd.morley@wellsfargo.com	Jon Eichelberger Managing Director 407-644-3173 Jon.Eichelberger@raymondjames.com

LOC Terms and Conditions

			Barclays	PNC	Wells Fargo	Raymond James
1	Maximum LOC Commitment Amount		N/A	N/A	N/A	N/A
	Term	2-Year				
		3-Year				
		4-Year				
		5-Year				
	Draw Fee					
	Interest Rate on Liquidity Draws					
	Default Interest Rate					
	Transfer Fee					
	Upfront Fees					
	Termination Fees					
	Other					

Direct Placement Terms and Conditions

			Barclays	PNC	Wells Fargo	Raymond James
2	Direct Placement Index Floater		$150,000,000	$99,715,000	$250,000,000	N/A
	Fee		N/A	N/A	N/A	
	Term	3-Year	N/A	(75%*1 month LIBOR) + 58 bps OR SIFMA + 115 bps	SIFMA + 47.5 bps	
		4-Year	N/A	N/A	N/A	
		5-Year	SIFMA + 55 bps	(75%*1 month LIBOR) + 80 bps OR SIFMA + 146 bps	SIFMA + 57.5 bps	
		Other	6-Year: SIFMA + 62.5 bps 7-Year: SIFMA + 67.5 bps	7-Year: (75%*1 month LIBOR) + 80 bps OR SIFMA + 183 bps	N/A	
	Termination Provisions		Applicable Spread for remainder of year if terminated prior to 1st anniversary	Prepayment at any time with 90 days written advance notice	Not Provided	
	Additional Conditions		Usual and customary	None	None	

Other Terms and Conditions

		Barclays	PNC	Wells Fargo	Raymond James
3	Counsel	Rick Cosgrove Chapman and Cutler 312-845-3738	Michael D. Williams Akerman Senterfitt mike.williams@akerman.com	Andrew Borders Chapman and Cutler, LLP 312-845-3434	N/A
4	Max Legal Fees	$45,000 estimate; $50,000 cap	$6,000	$7,500	
5	Out-of-Pocket Fees	None expected; $2,500 cap	None	None	

6 Credit Ratings	Barclays Long Term		Barclays Short Term	PNC Long Term		PNC Short Term	Wells Fargo Long Term		Wells Fargo Short Term	Raymond James
Moody's	A2		P-1	A2		P-1	Aa3	Stable	P-1	N/A
S&P	A		A-1	A		A-1	AA-	Stable	A-1+	
Fitch	A		F1	A+		F-1	AA-	Stable	F-1+	

		Barclays	PNC	Wells Fargo	Raymond James
7	Additional Conditions/ Financial Covenants	1.) Downgrade provisions apply 2.) Change in law language 3.) Termination fee equivalent to the unpaid Applicable Spread through the remainder of the initial year period if terminated or reduced prior to first anniversary	None	Alludes to change in law requirements causing rates to increase in January of 2015 and suggesting FRNs are a more cost effective option than LOCs.	N/A
8	Term Out Provision	No acceleration provision as long as no other creditor has acceleration rights Term Out Period: 5 years with 10 yr amortization (balloon in 5th yr)	Rate: Default Rate (Greater of Base Rate + 3.00% or floor of 8.00%) Period: 2 years (fully amortizing)	3 Year Facility: Same as current 5 Year Facility: 2 years If another creditor is given more favorable terms, terms would also be incorporated in WF documents.	
9	Approval Required?	Yes	Yes	Yes	
10	Other Recommendations	None	None	**1. SIFMA Index Floating Rate Notes 2. Short-Term, Fixed Rate Refunding 3. Floating Rate Notes Plus**	**1. SIFMA Index Floating Rate Notes 2: Direct Purchase with Par Covenant Agreement**

Central Florida Expressway Authority
Request for Pricing Indication Summary Matrix
DRAFT

	Central Florida Expressway Authority Request for Proposal: Letter of Credit and/or Direct Placement Index Floaters	Morgan Stanley	Loop Capital Markets	Blaylock	Jefferies
		FRNs	FRNs	FRNs	FRNs
	Primary Contact Information	J.W. Howard Executive Director 954-331-1595	Bob Walsh Managing Director 312-356-1004 Robert.Walsh@LoopCapital.com	W. Bruce Gow Regional Manager 404-692-5713	Rawn Williams Managing Director 407-583-0856
	LOC Terms and Conditions				
1	Maximum LOC Commitment Amount				
	Term: 2-Year				
	Term: 3-Year				
	Term: 4-Year				
	Term: 5-Year				
	Draw Fee				
	Interest Rate on Liquidity Draws	N/A	N/A	N/A	N/A
	Default Interest Rate				
	Transfer Fee				
	Upfront Fees				
	Termination Fees				
	Other				
	Direct Placement Terms and Conditions				
2	Direct Placement Index Floater				
	Fee				
	Term: 3-Year				
	Term: 4-Year				
	Term: 5-Year				
	Term: Other	N/A	N/A	N/A	N/A
	Termination Provisions				
	Additional Conditions				
	Other Terms and Conditions				
3	Counsel				
4	Max Legal Fees				
5	Out-of-Pocket Fees				
6	Credit Ratings				
	Moody's				
	S&P				
	Fitch	N/A	N/A	N/A	N/A
7	Additional Conditions/ Financial Covenants				
8	Term Out Provision				
9	Approval Required?				
10	Other Recommendations	Publicly offered SIFMA Index Bonds	Publicly offered Floating Rate Notes	SIFMA Index Floating Rate Notes	SIFMA Index Floating Rate Notes

Central Florida Expressway Authority

Request for Pricing Indication Summary Matrix

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Central FloridaExpressway Authority
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	Letter of Credit				Direct Purchase					
	2-Year LOC	3-Year LOC	4-Year LOC	5-Year LOC	3-Year	4-Year	5-Year	6-Year	7-Year	10-Year
RBC ($120MM)		48 bps	55 bps		SIFMA + 58 bps	SIFMA + 65 bps				
TD Bank ($120MM)		39 bps	43 bps	48 bps					70% * (1-Mo LIBOR) + 77 bps	70% * (1-Mo LIBOR) + 93 bps
BMO Harris ($130MM)		42 bps	50 bps							
Mizuho & SunTrust ($250MM)	40 bps	53 bps	65.5 bps	78.5 bps						
BTMU ($130MM)		42.5 bps	50 bps	57.5 bps						
Northern Trust ($50MM)	50 bps	55 bps								
SMBC ($150MM)		58 bps								
BAML ($218MM)					SIFMA + 46 bps	SIFMA + 58 bps	SIFMA + 73 bps		SIFMA + 93 bps ($150MM)	
Barclays ($150MM)							SIFMA + 55 bps	SIFMA + 62.5 bps	SIFMA + 67.5 bps	
PNC ($100MM)					SIFMA + 115 bps		SIFMA + 146 bps		SIFMA + 183 bps	
Wells Fargo ($250MM)					SIFMA + 47.5 bps		SIFMA + 57.5 bps			
Public FRN					SIMFA + 45 bps	SIMFA + 55 bps	SIMFA + 55 bps