



## QUESTIONS & RESPONSES #01

RFP or RFQ / TITLE 070143 | Direct Purchase of 2015 LTGO Bonds

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| PROPOSER QUESTIONS  | PORT RESPONSES  | RFP/<br>RFQ<br>Section |
|---|---|------------------------|
| <p>The Terms Memorandum outlines the following:<br/>"Securities Offering – The Bank will confirm that the purchase is being recorded as a loan by the Bank, and the Bank shall agree that it will not certificate the loan in a securities offering."</p> <p>o Will the Port consider an offer that is structured as a security vs. a loan? While the Bank would purchase the Bonds for its own account without a current intent to transfer them, the Bank would reserves the right in its sole discretion, to assign, sell, pledge or participate interests in the Bonds without the consent of the Issuer. The Bank will agree not to place the Bond in a trust or other custodial arrangement pursuant to which securities are issued evidencing interests in the Bond.</p> | <p>The Port will accept proposals as a loan or as a security.</p> <p>The Port would require written consent for any public participation and would want to deal solely with the bank in any participation. Provided below is wording from similar agreements in place between the Port and a bank.</p> <p><i>"The Bank may at any time, without the consent of, or notice to, the Port, sell participations to any Person (other than a natural Person or the Port or any of the Port's Affiliates) (each, a "Participant") in all or a portion of the Bank's rights and/or obligations under this Agreement (including all or a portion of the Term Loan); provided that (i) the Bank's obligations under this Agreement shall remain unchanged, (ii) the Bank shall remain solely responsible to the Port hereto for the performance of such obligations and (iii) the Port shall continue to deal solely and directly with the Bank in connection with the Bank's rights and obligations under this Agreement. Notwithstanding anything provided in this section, no public offering of certificates of participation in the Bond shall be made without the prior written consent of the Port, which consent may be withheld in the Port's sole discretion."</i></p> |                        |
| <p>The Terms Memorandum outlines the following:<br/>"Prepayment option – Please identify any limitations that would be imposed on prepayment".</p> <p>o Does the Port have a current intent to prepay the Bonds? If so, what is the expected timeframe for any prepayment? Would any such prepayment be in whole or in part?</p>  | <p>The Port has no plans to prepay the bonds. The Port is interested in having the flexibility to prepay if offered at a reasonable cost. The RFP encourages proposers to provide prepayment optionality but doesn't require it.</p>  |                        |