

STATE OF ALASKA
STATE BOND COMMITTEE

DEPARTMENT OF REVENUE
COMMISSIONER'S CONFERENCE ROOM

Juneau, Alaska

January 5, 2016

10:30 A.M.



STATE BOND COMMITTEE AGENDA FOR BOARD OF DIRECTOR'S MEETING

**Alaska Department of Revenue
Commissioner's Conference Room
333 Willoughby Avenue
State Office Building, 11th Floor
Juneau, Alaska 99811**

January 5, 2016 at 10:30 A.M.

- I. Call to Order**
- II. Roll Call**
- III. Public Meeting Notice**
- IV. Approval of Agenda**
- V. Minutes of October 27, 2015 State Bond Committee Meeting**
- VI. Public Participation and Comment**
- VII. New Business**
 - A. Resolution 2016-01 – Springing Covenant International Airport System Revenue Bonds**
 - B. Resolution 2016-02 – Authorizing 2016 General Obligation Bond Issue.**
 - C. Resolution 2016-03 – Authorizing 2016 General Obligation Bond Anticipation Note issuance**
 - D. Resolution 2016-04 - Clean Water and Drinking Water Notes – Increasing Authorized Issue Amount**
 - E. Resolution 2016-05 – Reimbursement Resolution for Potential AKLNG Financing**
 - F. Debt Manager's Report**
- VIII. Committee Member Comments**
- IX. Schedule Next Meeting**
- X. Adjournment**

Notice of Meeting - State of Alaska Bond Committee

UPDATED 12/29/2015

STATE OF ALASKA BOND COMMITTEE

Notice is hereby given that the State of Alaska State Bond Committee will hold a meeting at the Alaska Department of Revenue Commissioner's Office, 333 Willoughby Avenue, 11th Floor, Juneau, Alaska 99811, on January 5, 2016 at 10:30 a.m.

- | | |
|--------------------|--|
| Resolution 2016-01 | Springing Covenant amending Resolution the Alaska International Airport System Master Resolution 99-01 |
| Resolution 2016-02 | 2016 General Obligation Bond Resolution - Authorizing Refinancing a Portion of the 2015 Bond Anticipation Notes issued to Fund the Projects of the 2012 Transportation Act |
| Resolution 2016-03 | 2016 General Obligation Bond Anticipation Note - Providing Additional Funding for the 2012 Transportation Act |
| Resolution 2016-04 | Clean Water/Drinking Water Bond Anticipation Note Authority |
| Resolution 2016-05 | Reimbursement Resolution |

Debt Manager's Report

The public is invited to attend and will be given the opportunity for public comment and participation. The State Bond Committee complies with Title II of the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973.

Dated December 18, 2015
Deven Mitchell

[Attachments, History, Details](#)

Attachments

None

Revision History

Created 12/21/2015 10:04:02 AM by soalexander
Modified 12/21/2015 10:05:22 AM by soalexander
Modified 12/29/2015 12:07:29 PM by soalexander

Details

Department:	Revenue
Category:	Public Notices
Sub-Category:	
Location(s):	Statewide
Project/Regulation #:	
Publish Date:	12/21/2015
Archive Date:	1/6/2016

Events/Deadlines:

**OFFICIAL MINUTES
STATE BOND COMMITTEE
October 27, 2015**

A meeting of the State Bond Committee was held at 1:07 p.m. ASDT on October 27, 2015 at the Department of Revenue, Commissioner's Conference Room, Juneau, Alaska (333 Willoughby Avenue, State Office Building, 11th Floor, Juneau, Alaska 99811).

State Bond Committee Members present were:

John Boucher, Deputy Commissioner, Department of Administration
Jerry Burnett, Deputy Commissioner, Department of Revenue
(Absent) Fred Parady, Deputy Commissioner, Department of Commerce,
Community & Economic Development

Also present were:

Deven Mitchell, Debt Manager, Department of Revenue
Ryan Williams, Op. Research Analyst, Department of Revenue
Paul Bloom, Goldman Sachs

Present telephonically were:

Cynthia Weed, K&L Gates, LLP
Kerry Salas, K&L Gates, LLP
Cindy Cartledge, Wohlforth, Brecht, Cartledge, APC
Pete Nissen, Acacia Financial Group
Scott Beall, Acacia Financial Group
Joe Calogero, Acacia Financial Group
Phoebe Selden, Acacia Financial Group
Brian Olin, Goldman Sachs
Kyle Vinson, Goldman Sachs
Carol Nguyen, Goldman Sachs

I. Call to Order

Mr. Burnett called the meeting to order at 1:07 p.m. ASDT.

II. Roll Call

Mr. Mitchell took roll call. Mr. Burnett & Mr. Boucher were present. Mr. Parady was absent. There was a quorum.

III. Public Meeting Notice

A copy of the Affidavit of Publication concerning the date, location, and purpose of the meeting was reviewed and made a part of the minutes of the meeting. Mr. Mitchell stated the meeting notice was advertised in the State's Online Public Notice - The notice

was officially published on October 12, 2015.

IV. Approval of Agenda

The Agenda was reviewed by the board and no changes were necessary. The agenda was approved as submitted without objection.

V. Minutes of September 21, 2015 SBC Meeting

Following discussion the September 21, 2015 minutes were approved without objection.

VI. Public Comment

Mr. Burnett asked for public participation and comment. There was none.

VII. New Business

Resolution 2015-07 - AIAS

Mr. Mitchell stated that Resolution 2015-07 would provide for the issuance and sale of one or more series of revenue bonds of the Alaska International Airports System (AIAS) for the purpose of refunding certain outstanding revenue bonds of the AIAS. The bond issues being considered for refunding include the 1999A, 1999C, 2003B, 2006A, 2006B, and 2006D with outstanding principal amount as of 10/15/15 of approximately \$201 million. Ms. Weed explained that Resolution 2015-07 would delegate authority to the designated representative to authorize a sale of refunding bonds as long as the aggregate principal amount of the Series 2015/2016 Bonds does not exceed \$220 million for a period of 120 days following the approval of the resolution. Part of the resolution authorizes certain current & advance refundings, while the 2006 Series D Bonds would have the opportunity for a forward refunding structure (cannot be advance refunded). Mr. Bloom, Goldman Sachs, went over a typical forward refunding strategy, and how they are structured. He described how current savings are known and can be secured with a forward premium instead of waiting to exercise a current refunding and having to bear the risk of interest rate movements. It is uncertain what the premium for this portion of the transaction would be at this time, but Goldman's underwriting desk has placed an approximation at 60-70 basis points which Acacia has found to be a market estimate. The transaction is expected to be executed in the month of November or December 2015. Mr. Boucher moved Resolution 2015-07 and Mr. Burnett seconded the motion. The State Bond Committee then approved Resolution 2015-07 with two yes votes.

Resolution 2015-08 – Private Activity Bond Volume Limit Calendar Year 2015

Mr. Mitchell stated that the resolution allocates a portion of the annual private activity bond volume limit for calendar year 2015, which is in addition to the allocations approved in Resolution 2015-06 at the September 21, 2015 meeting, and in Resolution 2015-04 at the May 5, 2015 meeting. The total volume cap for calendar year 2015 is \$301,515,000, and the Alaska Housing Finance Corporation (AHFC) has previously received allocations of

\$8.5 million for an affordable housing multi-unit facility and \$4 million for a 20 unit low income housing for the target population of the Mental Health Trust beneficiaries. An additional allocation of \$187,748,230 of 2015 private activity Bond volume limit for AHFC is included in this Resolution. The Alaska Industrial Development and Export Authority (AIDEA) has received \$5 million of volume cap to refund bonds related to the financing of the Snettisham Hydroelectric Project, and pay for costs of issuance and reserves. AIDEA did not use \$3,733,230 of the \$5,000,000 allocation, and has returned the unused portion. AIDEA has received an allocation of \$100 million to provide for anticipated future projects that are estimated to accumulate to \$200 million. In addition to the volume cap, Qualified Public Educational Facilities Bonds are permitted, and an annual limit is the greater of \$10 multiplied by the State population, or \$5 million. Using Notice 2002-56 of the IRS, and most recent census data, this limit would be \$7,102,310 and the Resolution allocates the entire amount to AIDEA. Mr. Mitchell stated that private activity bond volume cap allocation is available for use until February of the year following allocation and then may be designated and carried forward for an additional period of three years. Mr. Boucher moved Resolution 2015-08 and Mr. Burnett seconded the motion. The State Bond Committee then approved Resolution 2015-08 with two yes votes.

Debt Manager's Report

Mr. Mitchell included a summary of the October 2015 rating agency trip, and the State of Alaska Fall 2015 Fiscal and Credit Update Presentation dated October 21, 2015. Alaska's team consisted of Revenue Commissioner Randy Hoffbeck, Revenue Deputy Commissioner Jerry Burnett, CIO Gary Bader, Debt Manager Deven Mitchell, and FirstSouthwest Advisor Steve Kantor. The AK team met with representatives of FitchRatings, Moody's, and Standard & Poor's.

VIII. Committee Member Comments

There were none.

IX. Schedule Next Meeting

Mr. Mitchell mentioned that another meeting at the call of the Chair would need to be in late December 2015, or early January 2016, and that he would follow-up with the Committee.

X. Adjournment

The meeting was adjourned at 2:08 PM ASDT.

Fred Parady, Deputy Commissioner,
Department of Commerce, Community and Economic
Development- Chair

ATTEST:

Jerry Burnett, Deputy
Commissioner Department of
Revenue- Secretary

**STATE BOND COMMITTEE
OF THE STATE OF ALASKA**

**RESOLUTION NO. 2016-01
AMENDMENT TO SUPPLEMENTAL RESOLUTION NO. 2015-07**

Adopted January 5, 2016

RESOLUTION NO. 2016-01*

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* This Table of Contents and the cover page are not a part of the following resolution and are included only for the convenience of the reader.

STATE BOND COMMITTEE

RESOLUTION NO. 2016-01 SUPPLEMENTAL RESOLUTION NO. 2015-07

A Resolution of the State Bond Committee of the State of Alaska; amendment Supplemental Resolution No. 2015-07 relating to the issuance and sale of revenue bonds of the Alaska International Airports System.

WHEREAS, the State Bond Committee adopted Seventh Supplemental Resolution No. 2015-07 on October 27, 2015 providing for the issuance and sale of airport revenue refunding bonds; and

WHEREAS, it has subsequently been determined that it would be in the best interests of the Alaska International Airports System to amend Resolution No. 99-1 (the "Resolution") in accordance with the conditions set forth in the Resolution; and

WHEREAS, this amendment to Resolution No. 2015-07 is a supplemental resolution as authorized by Section 6.02 of the Resolution;

NOW THEREFORE, BE IT RESOLVED by the State Bond Committee of the State of Alaska, as follows:

The following new article is hereby added to Resolution No. 2015-07.

ARTICLE XXXVIII AMENDMENT TO ARTICLE I OF RESOLUTION NO. 99-01

Section 38.01. Definitions and Amendment. Section 1.01 of the Resolution is hereby amended by amending the following definition (additions are underscored and bracketed).

Coverage Requirement means Net Revenues equal to or greater than 125% of Aggregate Annual Debt Service for all outstanding Parity Bonds, including Future Parity Bonds then being issued[(a) for project purposes], for each of the three Fiscal Years following the earlier of (i) completion of the projects being financed with the proceeds of the Future Parity Bonds then being issued and (ii) the date on which all capitalized interest with respect to such Future Parity Bonds is expended[and (b) with respect to refunding bonds, each of the most recent three Fiscal Years preceding the date of calculation].

Debt Service means, for any period of time,

(a) with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation Bonds which are not designated as Balloon Maturity Bonds in the resolution authorizing their issuance, the principal amount of such Original Issue Discount Bonds equal to the Accreted Value thereof maturing or scheduled for redemption in such period, and the interest payable during such period;

(b) with respect to any Outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount of such Parity Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of any such Parity Bonds, plus (3) all interest payable during such period on any such Parity Bonds Outstanding and with respect to Parity Bonds with mandatory sinking fund requirements, calculated on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Parity Bonds on the date specified in the resolution authorizing such Parity Bonds;

(c) with respect to all other Series of Parity Bonds Outstanding, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Parity Bonds during such period computed on the assumption that the amount of Parity Bonds Outstanding as of the date of such computation would be amortized (i) in accordance with the mandatory redemption provisions, if any, set forth in the resolution authorizing the issuance of such Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on the date 25 years after the date of issuance to provide for essentially level annual debt service of principal and interest over such period and (ii) at an interest rate equal to [(A)] the yield to maturity set forth in the 25-Revenue Bond Index published in the edition of *The Bond Buyer* (or comparable publication or such other similar index selected by the State with the approval of the Consultant, if applicable) selected by the State and published within ten days prior to the date of calculation or, if such calculation is being made in connection with the certificate required by Section 2.03 hereof, then within ten days of the date of such certificate[or (B), if such Parity Bonds have been Outstanding for more than one year, the average of the most recent year's actual interest rates plus 50 basis points]; and

(d) with respect to Derivative Products, the State Payments required by contract to be paid to a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the same period during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.

With respect to any Parity Bonds payable in other than U. S. Dollars, Debt Service shall be calculated as provided in the resolution authorizing the issuance of such Parity Bonds.

Debt Service shall be net of any interest and/or principal funded out of Parity Bond proceeds or the proceeds of other funds or indebtedness.

Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent such reimbursement obligations are outstanding or as otherwise authorized in a resolution.

Qualified Insurance shall mean~~[, until the 2016 New Date,]~~ any non-cancelable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) which insurance company or companies, as of the time of issuance of such policy or surety bond, is rated in the highest rating category by any Rating Agency~~[and from and after the 2016 New Date, shall mean any non-cancelable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) which insurance company or companies, as of the time of issuance of such policy or surety bond, is rated in one of the two highest rating categories by any Rating Agency.]~~

[2016 New Date means the earlier of (i) the date on which the Outstanding Parity Bonds are no longer Outstanding; or (ii) the date on which the Owner(s) of at least two-thirds of the aggregate principal amount of Parity Bonds then Outstanding consent to the amendment to the definition of Qualified Insurance made in this Seventh Supplemental Resolution. For purposes of this provision, (1) the Owners of the Series 2015/2016 Bonds and any Future Parity Bonds issued following the issuance of the Series 2015/2016 Bonds, by their purchase of such Parity Bonds, are deemed to have consented to and approved the terms of this Article XXXVIII in full compliance with the provisions of Section 6.02 of the Resolution, (2) MBIA Insurance Corporation or its successor shall be deemed to be the Owners of the Series 1999A Bonds, the Series 1999B Bonds, the Series 2006A Bonds and the Series 2006B Bonds, and (3) Ambac Assurance Corporation shall be deemed to be the Owner of the Series 1999C Bonds.]

Section 38.02. Amendment to Section 2.02. Section 2.02 of the Resolution is hereby amended to read as follows (additions are underscored and bracketed and deletions are shown as stricken text):

SECTION 2.02. Issuance of Additional Series of Future Parity Bonds. The State may issue hereunder from time to time one or more Series of Parity Bonds by means of a supplemental resolution for any purpose of the State now or hereafter permitted by law, provided that the State shall comply with the terms and conditions for the issuance of Parity Bonds hereinafter set forth in this Section 2.02 and in Section 2.03 hereof.

Each Series of Parity Bonds shall be authorized by a supplemental resolution which shall, among other provisions, specify and provide for:

(a) the [maximum] authorized principal amount, designation and Series of such Parity Bonds;

(b) the general purpose or purposes for which such Series of Parity Bonds is being issued, and the deposit, disbursement and application of the proceeds of the sale of the Parity Bonds of such Series;

(c) the date or dates, and the maturity date or dates, of the Parity Bonds of such Series, and the principal amount maturing on each maturity date;

(d) the [maximum] interest rate or rates on the Parity Bonds of such Series (which may be a rate of zero) and the interest payment date or dates therefor, and whether such interest rate or rates shall be fixed, variable or a combination of both and, if necessary, the manner of determining such rate or rates;

(e) the circumstances, if any, under which the Parity Bonds of such Series will be deemed to be no longer Outstanding;

(f) the currency or currencies in which the Parity Bonds of such Series are payable;

(g) the denominations of, and the manner of dating, numbering, and, if necessary, authenticating, the Parity Bonds of such Series;

(h) the place or places of payment of the principal, redemption price, if any, or purchase price, if any, of and interest on, the Parity Bonds of such Series;

(i) the tender agent or tender agents, if any, for the Parity Bonds of such Series and the duties and obligations thereof;

(j) the remarketing agent or remarketing agents, if any, for the Parity Bonds of such Series and the duties and obligations thereof;

(k) the registrar or trustee, if any, for the Parity Bonds of such Series and the duties and obligations thereof;

(l) the form or forms of the Parity Bonds of such Series and any coupons attached thereto, which may include but shall not be limited to, registered form, bearer form with or without coupons, and book-entry form, and the methods, if necessary, for the registration, transfer and exchange of the Parity Bonds of such Series;

(m) the terms and conditions, if any, for the redemption of the Parity Bonds of such Series prior to maturity, including the redemption date or dates, the redemption price or prices and other applicable redemption terms;

(n) the terms and conditions, if any, for the purchase of the Parity Bonds of such Series upon any optional or mandatory tender for purchase

prior to maturity, including the tender date or dates, the purchase date or dates, the purchase price or prices and other applicable terms;

(o) the manner of sale of the Parity Bonds of such Series, with or without a premium or a discount;

(p) if so determined by the State, the authorization of and any terms and conditions with respect to credit or liquidity support for the Parity Bonds of such Series and the pledge or provision of moneys, assets or security other than Revenues to or for the payment of the Parity Bonds of such Series or any portion thereof;

(q) a subaccount within the Reserve Account for the Parity Bonds of such Series and the application of moneys or securities therein; and

(r) any other provisions which the State deems necessary or desirable in connection with the Parity Bonds of such Series.

[Each such supplemental resolution also may provide for delegation to the Designated Representative of the authority to approve the final terms and conditions of a series of Parity Bonds, including but not limited to the matters set forth in this section.]

Section 38.03. Amendment to Section 2.04(a). Section 2.04(a) of the Resolution is hereby amended to read as follows (additions are underscored and bracketed and deletions are shown as stricken text):

(a) *Refunding of Parity Bonds.* Future Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Parity Bonds, including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase) and the expenses of issuing such Future Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in Section 2.03 hereof. Such refunding Future Parity Bonds also may be issued without a certificate if the Maximum Annual Debt Service on all Parity Bonds to be Outstanding after the issuance of the refunding Future Parity Bonds shall not be greater than the Maximum Annual Debt Service were such refunding not to occur~~]~~ and, subject to the further condition which shall be applicable only until the 2016 New Date, that total debt service has been reduced].

Section 38.04. Amendment to Section 6.02. The second paragraph of Section 6.02 of the Resolution is hereby amended to read as follows (additions are underscored and bracketed and deletions are shown as stricken text):

SECTION 6.02. Procedure for Amendment with Written Consent of Parity Bondowners. The Committee may at any time adopt a supplemental resolution amending the provisions of the Parity Bonds or of the Bond Resolution, to the extent that such amendment is permitted by Section 6.01, to take effect when and as provided in this Section. A copy of such supplemental resolution, together

with a request to Parity Bondowners for their consent thereto, shall be mailed by the State to each registered owner of Parity Bonds outstanding and to each owner of any such Parity Bonds payable to bearer who shall have filed with the Registrar an address for notices, but failure to mail copies of such supplemental resolution and request shall not affect the validity of the supplemental resolution when assented to as in this Section provided. Notice of the fact of the adoption of such supplemental resolution (stating that a copy thereof is available for inspection at the principal office of the Registrar) shall be provided to all owners of Parity Bonds then held in book-entry only form in accordance with the operational procedures then in effect at DTC and with respect to Parity Bonds then held in registered form, but not then held in book-entry only form, such notice shall be given by U.S. Mail, postage prepaid to the owner of each Parity Bond then affected at the address shown for such owner on the Bond Register and with respect to Parity Bonds held in coupon or bearer form, notice of such amendment shall be published at least once a week for two successive weeks in a financial newspaper or journal, printed in the English language and customarily published on each business day, of general circulation in San Francisco, California, and in a similar newspaper or journal of general circulation in New York, New York, the first publication in each case to be made not more than fifteen days after the date of adoption of such resolution.

Such supplemental resolution shall not become effective unless there shall be filed with the Registrar the written consents of the owners of at least two-thirds of the aggregate principal amount of the Parity Bonds then Outstanding (exclusive of Parity Bonds disqualified as provided in Section 6.03) and a notice shall have been published as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Parity Bonds for which such consent is given, which proof shall be such as is permitted by Section 8.05. Any such consent shall be binding upon the owner of the Parity Bonds giving such consent and on any subsequent owner (whether or not such subsequent owner has notice thereof) unless such consent is revoked in writing by the owner giving such consent or a subsequent owner by filing such revocation with the Registrar prior to the date when the notice hereinafter in this Section provided for has been published. [From and after the 2016 New Date, the supplemental resolution authorized by this Section 6.02 shall become effective upon the written consent of at least a majority of the aggregate principal amount of Parity Bonds then Outstanding, and the notice hereinafter provided shall no longer be required.]

After the owners of the required percentage of Parity Bonds shall have filed their consents to the supplemental resolution, the State shall mail and publish a notice of the Parity Bondowners in the manner hereinbefore provided in this Section for the mailing of the supplemental resolution and publication of the notice of adoption thereof, stating in substance that the supplemental resolution has been consented to by the owners of the required percentage of Parity Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the supplemental resolution or consents thereto). Proof of the publication of such notice shall be filed with the Registrar. A record, consisting of the papers required by this Section to be filed with the

Registrar, shall be proof of the matters therein stated until the contrary is proved. The supplemental resolution shall become effective upon the filing with the Registrar of proof of the mailing or publication of such last-mentioned notice, and the supplemental resolution shall be deemed conclusively binding (except as otherwise specifically provided in this Article) upon the State and the owners of all Parity Bonds and coupons upon such filing or if notice was required to be made by publication as provided above, at the expiration of sixty days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Section 38.05. Effect of Resolution. Except as expressly provided herein, every term and condition contained in the Resolution shall apply to this Seventh Supplemental Resolution, as amended, and to the Series 2015/2016 Bonds with the same force and effect as if the same were set forth herein at length.

Section 38.06. Notices to Rating Agencies. The State shall give immediate notice to each Rating Agency then maintaining a rating on the Series 2015/2016 Bonds of this amendment.

Section 38.07. Effective Date. This amendment to the Seventh Supplemental Resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the
5th day of January, 2016.

STATE OF ALASKA
STATE BOND COMMITTEE

CHRIS HLADICK

Commissioner, Department of Commerce
Community and Economic Development
Chair and Member
Alaska State Bond Committee

SHELDON FISHER

Commissioner, Department of Administration
Member
Alaska State Bond Committee

RANDALL HOFFBECK

Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of the State of Alaska (herein called the "Committee") DO HEREBY CERTIFY:

1. That the attached Supplemental Resolution numbered 2016-01 (herein called the "Resolution") is a true and correct copy of a resolution of the Committee as adopted at a meeting held on January 5, 2016, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of January, 2016.

Secretary

STATE BOND COMMITTEE
OF THE STATE OF ALASKA

GENERAL OBLIGATION BONDS, SERIES 2016

RESOLUTION NO. 2016-02

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation bonds of the State in the aggregate principal amount of not to exceed \$160,000,000; approving the sale of such bonds; and authorizing the Designated Representative to approve the interest rates, maturity dates, redemption provisions and principal amounts for the bonds under the terms and conditions set forth herein.

ADOPTED ON JANUARY 5, 2016

PREPARED BY:
Orrick, Herrington & Sutcliffe LLP

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EXHIBIT A: Official Notice of Sale and Bidding Instructions

* This Table of Contents and the cover page are not a part of the following resolution and are included only for the convenience of the reader.

RESOLUTION NO. 2016-02

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation bonds of the State in the aggregate principal amount of not to exceed \$160,000,000; approving the sale of such bonds; and authorizing the Designated Representative to approve the interest rates, maturity dates, redemption provisions and principal amounts for the bonds under the terms and conditions set forth herein.

WHEREAS, Sections 1, 3, 4 and 5 of Chapter 18, SLA 2012 (HB 286) (the “State Transportation Bond Act”) authorized the issuance of general obligation bonds of the State of Alaska (the “State”) in the principal amount of not more than \$453,499,200 for the purpose of paying the costs of design and construction of state transportation projects (as more fully set forth in the State Transportation Bond Act); and

WHEREAS, pursuant to the State Transportation Bond Act, the question of whether such bonds should be issued was submitted to the qualified voters of the State at the general election held on November 6, 2012, and said authorization was ratified by a majority of the qualified voters of the State who voted on the question; and

WHEREAS, pursuant to AS 37.15.300, the State issues notes in anticipation of the issuance of general obligation bonds; and

WHEREAS, on March 19, 2015, the State issued \$155,215,000 aggregate principal amount of bond anticipation notes dated March 19, 2015 and maturing on March 18, 2016 (the “2015A Notes”) to pay or to repay notes issued in 2014 to pay costs of projects authorized by the State Transportation Bond Act (collectively, “Transportation Projects”); and

WHEREAS, it is deemed necessary and advisable and in the best interest of the State and its inhabitants that the State now issue and sell general obligation bonds in the aggregate principal amount of not exceeding \$160,000,000 to provide, together with available funds in the 2012 State Transportation Project Fund and in the note account established for the 2015A Notes, to repay all or a portion of the 2015A Notes and/or to pay additional costs of the Transportation Projects; and

WHEREAS, the State may issue additional bond anticipation notes to refund any 2015A Notes not paid from proceeds of the Bonds and/or to pay additional costs of the Transportation Projects; and

WHEREAS, the Committee has determined to delegate authority to the State Debt Manager or his designee (the “Designated Representative”), for a limited time, to approve the interest rates, maturity dates, interest payment dates, redemption provisions and principal amounts under the terms and conditions approved by this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE OF THE STATE OF ALASKA:

Section 1. Definitions. As used in this resolution, the following words shall have the following meanings:

Approved Bid means the winning bid submitted for the Bonds.

Beneficial Owner means the beneficial owner of all or a portion of a Bond while such Bond is in fully immobilized form.

Bond Register means the registration books maintained by the Bond Registrar setting forth the names and addresses of owners of the Bonds.

Bond Registrar means U.S. Bank National Association, Seattle, Washington, as authenticating agent, paying agent and registrar with the duties and powers herein provided, including its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Section 3.

Bonds means the State of Alaska General Obligation Bonds, Series 2016A, to be issued pursuant to this resolution in the aggregate principal amount of not to exceed \$160,000,000.

Bond Year means each one-year period that ends on the date selected by the State. The first and last Bond Years may be short periods. If no date is selected by the Designated Representative before the earlier of the final maturity date of the Bonds or the date that is five

years after the date of issuance of the Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Bonds.

Code means the federal Internal Revenue Code of 1986 and the applicable regulations thereunder.

Commission means the United States Securities and Exchange Commission.

Competitive Sale means the process by which the Bonds are sold through the public solicitation of bids from underwriting firms.

Debt Manager means the State Debt Manager.

Debt Service Fund means the Alaska debt retirement fund of the State.

Designated Representative means the Debt Manager or his designee.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds pursuant to Section 3 hereof.

Governmental Person means a state or local governmental unit or any instrumentality thereof. It does not include the United States or any agency or instrumentality thereof.

Letter of Representations means a blanket issuer letter of representations from the State to DTC.

MSRB means the Municipal Securities Rulemaking Board or any successor to its functions.

Net Proceeds, when used with reference to the Bonds, means the principal amount of the Bonds, plus accrued interest and original issue premium, if any, and less original issue discount, if any.

Nongovernmental Person means any Person other than a Governmental Person.

Official Notice of Sale means the Official Notice of Sale and bidding instructions authorized to be given in Section 10 of this resolution.

Person means an individual, a trust, estate, partnership, association, company, corporation or governmental unit.

Private Business Use means the use of property in a trade or business by a Nongovernmental Person if such use is other than as a member of the general public. Private Business Use will arise from ownership of the property by a Nongovernmental Person. Private Business Use may also arise from other arrangements that transfer to the Nongovernmental Person the actual or beneficial use of the property (such as certain leases and management contracts). Use of property as a member of the general public includes attendance by the Nongovernmental Person at municipal meetings. Use of property by nonprofit community groups or community recreational groups is not treated as Private Business Use if the property is made available for such use by all such community groups on an equal basis and the term of such use does not exceed 50 days.

Registered Owner means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

Rule means the Commission's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

State means the State of Alaska.

State Bond Committee means the duly constituted State Bond Committee established pursuant to AS 37.15.110.

Term Bonds means the portion of the Bonds, if any, designated as "Term Bonds" in the Approved Bid for the Bonds.

2012 State Transportation Bond Act means Chapter 18, SLA 2012 (HB 286).

2015A Notes means the General Obligation Bond Anticipation Notes, Series 2015A, of the State issued under date of March 19, 2015, as more particularly described in the recitals of this resolution.

Underwriter means the initial purchaser or representative of the purchasers (if more than one firm acts collectively with one or more additional underwriting firms) of the Bonds.

Interpretation of Terms. In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bonds. The State hereby authorizes the issuance and sale of not to exceed \$160,000,000 aggregate principal amount of Bonds, representing a portion of the general obligation bonds authorized by the qualified electors of the State at a special election held on November 6, 2012 for the purposes provided in Sections 1, 3, 4 and 5 of the State

Transportation Bond Act. The Committee hereby finds that the sale of the Bonds in the manner and on the terms set forth in this resolution is for the best interests of the State and its inhabitants. The Bonds shall be dated as of their date of delivery; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 each or any integral multiple thereof, provided that no Bond shall represent more than one maturity and interest rate; shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification and control; and shall bear interest, payable semiannually on the first day of each February and August, commencing August 1, 2016 (or on such other semiannual payment dates as may be approved by the Designated Representative) at the rates; and subject to prior redemption, shall mature in the principal amounts and on the dates, all as set forth in the Approved Bid and as approved by the Designated Representative in accordance with Section 10. The Bonds of any of the maturities may be combined and issued as Term Bonds, subject to mandatory redemption as provided in the Approved Bid and approved by the Designated Representative.

Section 3. Registration.

(a) Bond Registrar; Bond Register. The State Bond Committee hereby selects U.S. Bank National Association, Seattle, Washington, as the Bond Registrar, for the safeguarding and disbursement of the money for the payment of debt service on the Bonds and for the duties herein set forth with respect to the authentication, delivery and registration of the Bonds. The Bonds shall be issued only in registered form as to both principal and interest. The Bond Registrar may resign at any time upon 30 days' prior written notice to the State Bond Committee and may be removed at any time at the option of the State Bond Committee upon prior notice to the Bond Registrar and appointment of a successor Bond Registrar. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. If a successor Bond Registrar has not been appointed within 30 days after the giving of such notice of resignation or removal, the retiring Bond Registrar may petition a court of competent jurisdiction for the appointment of a successor.

The Bond Registrar shall keep, or cause to be kept, at its corporate trust office, sufficient books for the registration and transfer of the Bonds which shall at all times be open to inspection by the State (the “Bond Register”). The Bond Registrar is authorized, on behalf of the State, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this resolution and to carry out all of the Bond Registrar's powers and duties under this resolution. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

(b) Registered Ownership. The State and the Bond Registrar shall deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in Section 12 of this resolution), and neither the State nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 3(h) hereof, but such Bond may be transferred as hereinafter provided. All such payments made as described in Section 3(h) shall be valid and shall satisfy and discharge the liability of the State upon such Bond to the extent of the amount or amounts so paid.

(c) DTC Acceptance/Letter of Representations. To induce DTC to accept the Bonds as eligible for deposit at DTC, the State has executed and delivered to DTC a Letter of Representations.

Neither the State nor the Bond Registrar shall have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant; the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds; any notice that is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the State to the Bond Registrar or to DTC or to any successor depository); or any consent given or other action taken by DTC (or by any successor depository) as the Registered Owner. Except as provided in Section 12 in connection with the Rule, for so long as any Bonds are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any

successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

(d) Use of Depository.

(1) The Bonds shall be registered initially in the name of “CEDE & Co.”, as nominee of DTC, with one Bond of each interest rate, maturing on each of the maturity dates for the Bonds, and in a denomination corresponding to the total principal amount bearing interest at the same rate and designated to mature on such date. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the State Bond Committee or the Designated Representative pursuant to subsection (2) below or to such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the State Bond Committee or the Designated Representative to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the State Bond Committee or the Designated Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds, together with a written request on behalf of the State Bond Committee or the Designated Representative, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the State Bond Committee or the Designated Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained,

or (B) the State Bond Committee or the Designated Representative determines that it is in the best interest of the beneficial owners of the Bonds that such owners be able to obtain such bonds in the form of Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The State Bond Committee or the Designated Representative shall deliver a written request to the Bond Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds, together with a written request on behalf of the State Bond Committee or the Designated Representative to the Bond Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) Registration of Transfer of Ownership or Exchange; Change in Denominations. The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer or exchange of any such Bond shall be valid unless such Bond is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent or attorney in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days preceding the date any such Bond is to be redeemed.

(f) Bond Registrar's Ownership of Bonds. The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its

officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Bonds.

(g) Registration Covenant. The State covenants that, until all Bonds have been surrendered and cancelled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

(h) Place and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months. For so long as the Bonds are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations.

In the event that the Bonds are no longer in fully immobilized form, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the designated office of the Bond Registrar; provided, however, that if so requested in writing by the Registered Owner of at least \$1,000,000 principal amount of Bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

If any Bond shall be duly presented for payment and funds have not been duly provided by the State on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid.

Section 4. Redemption and Purchase of Bonds.

(a) Optional Redemption. The Bonds may be subject to optional redemption as set forth in the Approved Bid and approved by the Designated Representative, and unless otherwise set forth in the Official Notice of Sale and Approved Bid, the Bonds to be redeemed shall be

selected from the maturities selected by the Designated Representative and by lot within a maturity and interest rate.

(b) Mandatory Redemption. Bonds that are designated in the Approved Bid as Term Bonds shall be subject to mandatory redemption as set forth in the Approved Bid and as approved by the Designated Representative pursuant to Section 10 of this resolution.

(c) Purchase of Bonds. The State reserves the right to purchase any of the Bonds offered to the State at any time at a price deemed reasonable by the Designated Representative and in the case of Term Bonds, to credit the principal amount of Term Bonds so purchased against an equal amount of mandatory sinking fund installments in the year or years selected by the Designated Representative.

(d) Notice of Redemption.

(1) Official Notice. Unless waived by any owner of Bonds to be redeemed, official notice of any redemption, which notice in the case of optional redemption may be a conditional notice, shall be given by the Bond Registrar on behalf of the State by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

(A) the date fixed for redemption;

(B) the redemption price;

(C) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity and interest rate (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;

(D) that on the date fixed for redemption (unless the notice of optional redemption is a conditional notice, in which case the notice shall state that interest shall cease to accrue from the date fixed for redemption if and to the extent that funds have been provided to the Bond Registrar for the redemption of Bonds), the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(E) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

(2) Effect of Notice; Bonds Due. Unless the State has revoked a notice of optional redemption (or unless the State provided a conditional notice of optional redemption and the conditions for redemption set forth therein are not satisfied), then on or prior to any redemption date, the State shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds to be redeemed on that date; and official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the date fixed for redemption (unless in the case of a conditional notice of optional redemption, the condition is not satisfied or funds sufficient to pay the redemption price are not on deposit with the Bond Registrar), become due and payable at the redemption price therein specified, and from and after such date (unless the State shall not have paid the redemption price), such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice (except as described above in the case of a notice of optional redemption), such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the date fixed for redemption shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same maturity and interest rate in the amount of the unpaid principal. All Bonds that have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing notice of redemption, further notice shall be given by the State as set out below, but no defect in said further notice nor

any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 15 days before the date fixed for redemption to each party entitled to receive notice pursuant to Section 12, and to the senior managing Underwriter for the Bonds or to its business successor, if any, and to such persons and with such additional information as the Designated Representative shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(4) CUSIP Numbers. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue, interest rate and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(5) Amendment of Notice Provisions. The foregoing notice provisions of this Section 4, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 5. Form of Bonds. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____ \$ _____

STATE OF ALASKA

GENERAL OBLIGATION BOND, SERIES 2016A

INTEREST RATE: MATURITY DATE: CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The STATE OF ALASKA (the “State”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from, _____ 2016, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on the first day of each _____ and _____, commencing on _____ 1, 2016. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in the operational arrangements of The Depository Trust Company (“DTC”) referred to in the Blanket Issuer Letter of Representations (the “Letter of Representations”) from the State to DTC. U.S. Bank National Association has been appointed to act as registrar, paying agent and authenticating agent for the Bonds (the “Bond Registrar”).

This bond is one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of \$ _____ (the “Bonds”), and is issued pursuant to Resolution No. 2016-02 (the “Bond Resolution”) adopted by the State Bond Committee on January 5, 2016 to provide funds to pay costs of certain transportation projects approved by the qualified electors of the State at the general election on November 6, 2012 and to repay all or a portion of the State’s Bond Anticipation Notes, Series 2015A. Capitalized terms used in this bond and not otherwise defined shall have the meanings given them in the Bond Resolution.

The bonds of this issue are subject to optional [and mandatory] redemption prior to their scheduled maturities [as stated in the Approved Bid].

The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and resolutions duly adopted by the State Bond Committee, including the Bond Resolution.

The bonds of this issue are not “private activity bonds” as such term is defined in the Internal Revenue Code of 1986 (the “Code”). The bonds of this issue are not “qualified tax-

exempt obligations” under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

The bonds of this issue are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal and interest on the bonds of this issue.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska to exist and to have happened and been done and performed precedent to and in the issuance of this bond do exist and have happened and been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the State may incur.

IN WITNESS WHEREOF, the State of Alaska has caused this bond to be executed by the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the seal of the State to be impressed, imprinted or otherwise reproduced hereon, as of this day of _____, 2016.

STATE OF ALASKA

By /s/ facsimile
Governor of the State of Alaska

ATTEST

By /s/ facsimile
Lieutenant Governor of
the State of Alaska

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is one of the bonds described in the within-mentioned Bond Resolution and is one of the State of Alaska, General Obligation Bonds, Series 2016, of the State,

dated _____, 2016.

U.S. BANK NATIONAL ASSOCIATION, as Bond Registrar

By
Authorized Signer

Section 6. Execution of Bonds. The Bonds shall be executed on behalf of the State with the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the corporate seal of the State shall be impressed, imprinted or otherwise reproduced thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this resolution.

In case either of the officers who have executed the Bonds shall cease to be officer or officers of the State before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the State, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the State as though those who signed the same had continued to be such officers of the State. Any Bond may also be signed and attested on behalf of the State by such persons who are at the actual date of delivery of such Bond the proper officers of the State although at the original date of such Bond any such person shall not have been such officer of the State.

Section 7. Pledge. The Bonds are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds.

Before December 1 of each year after the Bonds are issued, this Committee shall certify to the Commissioner of Administration of the State the amount needed for the following calendar year to meet principal, interest and reserve requirements on all general obligation bonds of the

State then outstanding, including the Bonds. The Commissioner of Administration shall set aside these amounts or make the necessary provisions for the setting aside of these amounts so that there will be sufficient money to pay the principal and interest on the due dates.

Pursuant to AS 37.15.012, the amounts required annually to pay the principal, interest, and redemption premium on the Bonds are appropriated each fiscal year from the Debt Service Fund to the State Bond Committee to make all required payments of principal of and interest and redemption premium, if any, on the Bonds. If the balance in the Debt Service Fund is insufficient to fully pay these amounts, the necessary additional amounts are appropriated from the general fund of the State to the State Bond Committee to make all required payments of principal of and interest and redemption premium, if any, on the Bonds.

Section 8. Defeasance. In the event that money and/or government obligations, which are noncallable direct obligations of the United States or obligations unconditionally guaranteed by the United States, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, as evidenced by a report of an independent accountant or verification agent (which report shall be required only if the defeasance is not a full cash defeasance (i.e., such report shall only be required if government obligations constitute all or part of the deposit from which payments to effect the defeasance will be made)), are set aside in a special account of the State to effect such redemption and retirement, and such moneys and the principal of and interest on such government obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Debt Service Fund of the State for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the moneys so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder.

The Bond Registrar shall provide notice of defeasance of Bonds to registered owners and to each party entitled to receive notice pursuant to Section 12.

Section 9. Tax Covenants.

(a) Arbitrage Covenant. The State hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the State that may be deemed to be proceeds of such Bonds pursuant to Section 148 of the Code that will cause the Bonds to be “arbitrage bonds” within the meaning of said section. The State shall comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bonds) throughout the term of the Bonds.

(b) Private Business Use Limitation for Bonds. The State covenants that for so long as the Bonds are outstanding, it will not permit any uses of the assets financed by the Bonds that would result in the Bonds being private activity bonds within the meaning of Section 141(a) of the Code.

(c) The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Bonds.

Section 10. Sale of Bonds. The Bonds shall be sold by Competitive Sale to the Underwriter pursuant to the terms of the Official Notice of Sale and Approved Bid.

(a) The Bonds shall be sold by competitive sale. Bids will be received by the Designated Representative or the competitive sale will be undertaken by electronic means, in the manner and on such date and time as the Designated Representative hereafter shall determine. The Designated Representative will approve the bid offering to purchase the Bonds at the lowest true interest cost to the State at such price as shall be determined by the Designated Representative at the time of sale, plus accrued interest to the date of delivery, all on the terms and conditions set out in the applicable Official Notice of Sale.

All bids submitted for the purchase of the Bonds shall be as set forth in the Official Notice of Sale or otherwise as established by the Designated Representative which will be furnished upon request made to the Designated Representative. Such bids shall be accompanied by surety bond or a cashier's or certified check, as a good faith deposit, made payable to the order of the State, in an amount, if any, determined by the State's financial advisor. The good faith deposit of

the successful bidder shall be security for the performance of its bid and shall be held as liquidated damages in case the successful bidder fails to take up and pay for the Bonds within 45 days if tendered for delivery. All bids submitted shall be opened (but not read publicly) by the State. The State reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

(b) The Designated Representative is authorized to negotiate terms for the purchase of the Bonds and to approve and accept an Approved Bid, with such terms as are approved by the Designated Representative pursuant to this section and consistent with this resolution. The State Bond Committee has determined that it would be in the best interest of the State to delegate to the Designated Representative for a limited time the authority to approve and accept an Approved Bid with such terms as are approved by the Designated Representative and to determine and approve the final interest rates, maturity dates, aggregate principal amount, terms of redemption and redemption rights and principal amounts of the Bonds of each maturity. The Designated Representative is hereby authorized to approve the final interest rates, maturity dates, aggregate principal amount, principal maturities, terms of redemption and redemption rights for the Bonds in the manner provided hereafter and in the Official Notice of Sale so long as (i) the aggregate principal amount of the Bonds does not exceed \$160,000,000, (ii) the last maturity date is not later than 30 years after the date the Bonds are issued and (iii) the true interest cost of the Bonds does not exceed five percent.

In approving the Official Notice of Sale and accepting and determining the Approved Bid and the final interest rates, maturity dates, aggregate principal amount, principal maturities, terms of redemption and redemption rights, the Designated Representative, in consultation with State staff and the State's financial advisor, shall take into account those factors that, in his judgment, will generate the most advantageous results for the State, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Bonds. Subject to the terms and conditions set forth in this Section 10, the Designated Representative is hereby authorized to approve the final form of the Official Notice of Sale and to accept the Approved Bid upon the Designated Representative's approval of the final interest rates, maturity dates, aggregate principal amount, principal maturities, terms of

redemption and redemption rights, set forth therein (or to reject all bids). Following the acceptance of the Approved Bid (or a rejection of all bids), the Designated Representative shall provide a report to the State Bond Committee, describing the final terms of the Bonds approved pursuant to the authority delegated in this section. The authority granted to the Designated Representative by this Section 10 shall expire 120 days after the date of adoption of this resolution. If an Approved Bid for the Bonds has not been accepted within 120 days after the date of final adoption of this resolution, the authorization for the issuance of the Bonds shall be rescinded, and the Bonds shall not be issued nor their sale approved unless the Bonds shall have been re-authorized by resolution of the State Bond Committee. The resolution re-authorizing the issuance and sale of such Bonds may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the Bonds not issued) or may be in the form of an amendatory resolution approving a purchase contract or establishing terms and conditions for the authority delegated under this Section 10.

(c) Upon the adoption of this resolution, the proper officials of the State including the Designated Representative, are authorized and directed to undertake all other actions necessary for the prompt sale, execution and delivery of the Bonds and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the Official Notice of Sale and the Approved Bid.

The Designated Representative is authorized to approve and “deem final” for purposes of the Rule a preliminary official statement and any amendments thereto prior to the date of the official statement and is authorized to ratify and to approve for purposes of the Rule, and to execute on behalf of the State, the official statement relating to the issuance and sale of the Bonds and to ratify and approve the distribution of such preliminary official statement and official statement pursuant thereto with such changes, if any, as may be deemed by him to be appropriate.

Section 11. Application of Bond Proceeds. The money derived from the sale of the Bonds shall be allocated and expended as described in this Section.

(a) A portion of the Bond proceeds shall be used for the payment of the costs of issuance of the Bonds.

(b) A portion of the Bond proceeds in the amount designated by the Designated Representative shall be deposited in the State of Alaska General Obligation Bond Anticipation Note Account, 2015 and be used to pay and redeem the 2015A Notes.

(c) Any remaining proceeds derived from the Bonds shall be allocated among the authorizations contained in Sections 3, 4 and 5 of the State Transportation Bond Act. The amount withdrawn from the public facility planning fund (AS 35.10.135) for the purpose of advance planning for the capital improvements to be financed by the Bonds shall be reimbursed to the fund from Bond proceeds. Proceeds allocable to the State Transportation Bond Act shall be deposited in the 2012 State Transportation Project Fund. Proceeds of the Bonds may be invested by the Debt Manager at the direction of the State in any legal investment for funds of the State, and the interest earnings shall be credited to the 2012 State Transportation Project Fund. Any unexpended and unobligated balances allocated for the projects described in Sections 3, 4 and 5 of the State Transportation Bond Act lapse under AS 37.25.020 and are appropriated by Section 6 of the State Transportation Bond Act to pay and redeem Bonds.

Section 12. Undertaking to Provide Ongoing Disclosure. The State Bond Committee hereby authorizes the Designated Representative to enter into an agreement for ongoing disclosure, substantially in the form attached to the Preliminary Official Statement for the Bonds for the benefit of the Beneficial Owners of the Bonds and to assist the Underwriter in complying with Section (b)(5) of the Rule.

Section 13. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the State shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

Section 14. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the 5th day of January, 2016.

STATE OF ALASKA
STATE BOND COMMITTEE

Chris Hladick
Commissioner, Department of Commerce
Community and Economic Development
Chair and Member
Alaska State Bond Committee

Sheldon Fisher
Commissioner, Department of Administration
Member
Alaska State Bond Committee

Randall Hoffbeck
Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

EXHIBIT A

Official Notice of Sale and Bidding Instructions

OFFICIAL NOTICE OF SALE AND BIDDING INSTRUCTIONS

STATE OF ALASKA



\$160,000,000*

General Obligation Bonds Series 2016A

Electronic Bids, as Described Herein
Will Be Accepted Until
____ A.M. ____ Time**
February __, 2016**

OFFICIAL NOTICE OF SALE AND BIDDING INSTRUCTIONS

* Preliminary, subject to change both before and after award as provided for in this Official Notice of Sale.

** Preliminary, subject to change before the sale date and time as provided for in this Official Notice of Sale.

OFFICIAL NOTICE OF SALE AND BIDDING INSTRUCTIONS

STATE OF ALASKA \$160,000,000* GENERAL OBLIGATION BONDS SERIES 2016A

THE SALE

NOTICE IS HEREBY GIVEN that electronic bids will be received at the place, on the date and until the time specified below for the purchase of all, but not less than all, of \$160,000,000* aggregate principal amount of General Obligation Bonds, Series 2016A (the “Bonds”) to be issued by the State of Alaska (the “State”).

DATE: February __, 2016**

TIME: _____ A.M. _____ Time**

ELECTRONIC BIDS: Must be submitted in their entirety via BiDCOMP™/Parity® as described below. **No other form of bid or provider of electronic bidding services will be accepted.**

ELECTRONIC BIDDING AND BIDDING PROCEDURES

Registration to Bid. All prospective bidders must be contracted customers of BiDCOMP™/Parity® Competitive Bidding System (“BiDCOMP/Parity”). If you do not have a contract with BiDCOMP/Parity, call (212) 849-5021 to become a customer. No other provider of electronic bidding services and no other means of delivery (i.e. telephone, telefax, telegraph, personal delivery, etc.) of bids will be accepted. **If any provision of this Notice of Sale conflicts with information provided by BiDCOMP/Parity as approved provider of electronic bidding services, this Notice of Sale shall control.** Further information about submitting a bid using BiDCOMP/Parity, including any fee charged, may be obtained from BiDCOMP/Parity at (212) 849-5021.

By submitting a bid for the Bonds, a prospective bidder represents and warrants to the State that such bidder’s bid for the purchase of the Bonds (if a bid is submitted) is submitted for and on behalf of such prospective bidder by an officer or agent who is authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

Disclaimer. Each prospective bidder shall be solely responsible to register to bid via BiDCOMP/Parity. Each qualified prospective bidder shall be solely responsible to

* Preliminary, subject to change before and after award as provided in this Notice of Sale.

**Preliminary, subject to change before the sale date and time, as provided in this Notice of Sale.

make necessary arrangements to access BiDCOMP/Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the State nor BiDCOMP/Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the State nor BiDCOMP/Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by BiDCOMP/Parity. The State is using BiDCOMP/Parity as a communication mechanism, and not as the State's agent, to conduct electronic bidding for the Bonds. The State is not bound by any advice and determination of BiDCOMP/Parity to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the "Bidding Procedures" described below. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/Parity are the sole responsibility of the bidders, and the State is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Bonds, it should telephone BiDCOMP/Parity and notify the State by email to deven.mitchell@alaska.gov or facsimile at (907) 465-2902 and to Pete Nissen, of Acacia Financial Group, Inc., the State's Financial Advisor, by email to pnissen@acaciafin.com or facsimile at (856) 234-6697.

Bidding Procedures. Bids must be submitted electronically for the purchase of the Bonds (all or none) by means of the Bid Forms via BiDCOMP/Parity by 11:00 A.M. Eastern Time on _____, February __, 2016, unless postponed as described below. See "Postponement." Prior to that time, a prospective bidder may input and save proposed terms of its bid in BiDCOMP/Parity. Once the final bid has been saved in BiDCOMP/Parity, the bidder may select the final bid button in BiDCOMP/Parity to submit the bid to BiDCOMP/Parity. Once the bids are communicated electronically via BiDCOMP/Parity to the State, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on BiDCOMP/Parity shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the State, as described below under "Basis of Award."

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by means of the Bid Form via BiDCOMP/Parity. No bid will be received after the time specified above for receiving such bids.

Award of the Bonds. The State will award the Bonds (or all bids will be rejected) by 1:00 p.m. Eastern Time on _____, February __, 2016.*

Basis of Award. The Bonds will be awarded to the bidder whose proposal conforms to the terms of this offering and produces the lowest true interest cost to the State. The true interest cost will be the annual interest rate that, when compounded semiannually and used to discount all payments of principal and interest payable on the Bonds under such proposal to the date of

* Preliminary, subject to change before the sale date and time as provided below. See "Postponement."

delivery, results in an amount equal to the purchase price for the Bonds. No proposal for the purchase of less than all of the Bonds will be considered. If two or more bids provide the same lowest true interest cost, the State shall determine, in its sole discretion, which bid will be accepted, and such determination will be final. See “Interest Rates and Bid Price.”

Modifications. The State reserves the right to modify any term of this Notice of Sale and/or the Preliminary Official Statement for any reason by notice on the Amendments Page of the BiDCOMP/Parity website no later than 5:00 p.m., _____ Standard Time, on February __, 2016* (or, in the event of a postponement in accordance herewith, the day prior to the reset bid date).

Postponement. The State also reserves the right to postpone the sale and to set a new time for the sale either separately or at one time. Postponement may be effected by 8:00 a.m. _____ Time on February __, 2016,* by a Statement of Postponement carried on the Amendments page of the BiDCOMP/Parity website (the “Statement of Postponement”). At the same time or within 48 hours following the Statement of Postponement, the State may reset a new time for the sale. The reset sale notice may state different terms and conditions of sale and may refer to this notice for any or all terms of sale. All bidders will be deemed to have assented to the above conditions by submitting a bid, and lack of actual notice of the postponement or of the reset terms of sale will not be considered.

Right of Rejection. The State reserves the right to reject any and all bids, to waive any irregularity or informality in any bid, to take any actions adjourning or postponing the sale of the Bonds or to take any other action that the State deems to be in its best interest. In the event the State rejects all bids, notice of a new sale date, if any, will be carried on the Amendments page of the BiDCOMP/Parity website.

THE BONDS

Bond Details. The Bonds will be dated the date of delivery and will bear interest from their dated date, payable semiannually on each _____ 1 and _____ 1 of each year, commencing on _____ 1, 2016. Interest will be computed upon the basis of a 360-day year of twelve 30-day months. Except as described below, the Bonds will be stated to mature on _____ 1 in the following years and in the following principal amounts:

* Preliminary, subject to change before the sale date and time as provided below.

State of Alaska
General Obligation Bonds, Series 2016A*

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>
2016		2031	
2017		2032	
2018		2033	
2019		2034	
2020		2035	
2021		2036	
2022		2037	
2023		2038	
2024		2039	
2025		2040	
2026		2041	
2027		2042	
2028		2043	
2029		2044	
2030		2045	

Adjustment of Maturities. The State reserves the right to adjust the principal amount of each maturity, in increments of \$5,000, and to increase or decrease the total principal amount of the Bonds by up to 10%. Notice of any adjustment will be provided within two hours after the time at which bids are opened through BiDCOMP/Parity. When adjusting maturities, the State will attempt to maintain the Underwriter's compensation as a percentage of the final principal amount of the Bonds. The successful bidder may not withdraw its bid or change the interest rates bid or the initial reoffering prices as a result of any changes made within these limits to the revised amounts.

Optional Designations of Term Bonds and Mandatory Sinking Fund Redemption. Bidders have the option of specifying in their bid proposal that all of the principal amount of Bonds scheduled to mature in any two or more consecutive years may, in lieu of maturing in each such year, be combined to comprise one or more maturities of the Bonds (the "Term Bonds") scheduled to mature in the latest year of each such combination. The Term Bonds so specified by the bidder then will be subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount thereof, in the principal amount in each year during the combined period of such Term Bonds that otherwise would have been scheduled to mature in such years. If no Term Bonds are designated in the successful bid, the Bonds will mature serially without Term Bonds.

Immobilization of the Bonds. The Bonds are being issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds, and immobilized in the custody of DTC, which will act as securities depository for the Bonds. A book-entry system will be employed by DTC evidencing ownership of the Bonds in principal amount of \$5,000 or any integral multiple thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC.

* Preliminary, subject to change. See "Adjustment of Maturities."

The principal of and interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfers of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and persons acting through such participants (the "Participants"), and other nominees of beneficial owners. The State will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, the payment by DTC or by Participants of principal of or interest on the Bonds, any notice to bondholders or any consent given or other action taken by DTC as the registered owner of the Bonds.

Optional Redemption. The Bonds maturing on or after ____ 1, 20__, are subject to redemption at the option of the State in whole or in part on any date on or after ____ 1, 20__, at a redemption price of 100% of the principal amount thereof, plus interest accrued to the date fixed for redemption.

Security for the Bonds. The Bonds will be general obligations of the State, and the full faith, credit and resources of the State will be pledged to the payment of the principal of and interest on the Bonds. The Bonds represent a portion of the \$453,499,200 of general obligation bonds approved by a majority of the voters voting in an election on November 6, 2012.

The security for the Bonds is described in the Preliminary Official Statement and in Resolution No. 2016- (the "Resolution") adopted by the State Bond Committee on January 5, 2016, and those documents should be consulted for a more detailed description of the security for the Bonds.

Bond Insurance At Bidder's Option And Expense. Bidders may elect to insure the Bonds at the bidders' risk and expense. The State will only enter into agreements to comply with the administrative requirements of the bond insurer; **the State will not amend the Resolution.** The State will pay the fee for ratings from Standard & Poor's Ratings Services and Fitch Ratings, regardless of whether the Bonds are insured.

The State is not seeking and has not requested or obtained a commitment for any credit enhancement, including a policy to insure payment of scheduled debt service on the Bonds. If the State selects a bid that is based on providing insurance on the Bonds, then the Official Statement and closing certificates will be amended accordingly. No additional security beyond that described in the Preliminary Official Statement will be permitted, however. **Failure of a bond insurer to deliver a policy of insurance for the Bonds will not release the successful bidder from its obligation to purchase the Bonds.**

Interest Rates and Bid Price. The Bonds will be sold in one block on an "all or none" basis, and **at a price of not less than one hundred percent (100%) of the aggregate principal amount of the Bonds. No serial or term bond maturity may bear a price of less than ninety-seven percent (97%).** Bidders must specify the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be a multiple of one-eighth (1/8) of one percent (1%) or one-twentieth (1/20) of one percent (1%). The highest interest rate bid may not exceed 5.00%. No limitation is imposed upon bidders as to the number of rates which may be used, except that all Bonds of one maturity must bear one and the same interest rate. **The bidding is permitted either**

with or without bond insurance at the discretion of the bidder. In either event, the winning bid will be selected on the basis of the true interest cost to the State, and in all cases the insurance premium will be paid by the bidder.

Good Faith Deposit. The successful bidder will be required to provide a good faith deposit in the amount of _____ Dollars (\$_____) (the “Good Faith Deposit”) in immediately available funds wired to U.S. Bank National Association, as paying agent not later than 2:00 p.m. (Pacific Standard Time) on _____, 2016* (the “Deposit Deadline”). Wire information will be provided to the successful bidder by the Financial Advisor upon bid award. If the Deposit is not received by the Deposit Deadline, the award of the sale of the Bonds may be cancelled by the State in its discretion without any financial liability to the bidder or any limitation whatsoever on the State’s right to sell the Bonds to a different purchaser upon such terms and conditions as the State deems appropriate.

The good faith deposit will be held by the State to ensure the successful bidder’s compliance with the terms of its bid and this Notice of Sale and Bidding Instructions and will be applied to the purchase price on the date of delivery of the Bonds. Pending delivery of the Bonds, the Good Faith Deposit may be invested for the sole benefit of the State. In the event the successful bidder fails or refuses to pay for the Bonds in accordance with its bid, the amount of the Good Faith Deposit and any investment earnings thereon shall be accepted by the State as full and complete liquidated damages.

Delivery. It is expected that the Bonds in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York on or about _____, 2016* and that closing will take place on the same date in Seattle, Washington or at another location specified by the State. The successful bidder will be required to provide to the State, by 10:00 a.m. Pacific Standard Time on _____, 2016, information as to the initial offering price of the Bonds to the public (excluding bond-houses and brokers) at which a substantial amount of the Bonds were sold and the insurance premium (if purchased by the bidder). Such information must be confirmed with a certificate, dated the date of closing of the Bonds, in form and substance satisfactory to Bond Counsel, **showing that at least 10% of each maturity of the Bonds was sold, or was reasonably expected to be sold, to the public at initial public offering prices not exceeding the prices of the Bonds set forth in the initial statement of such prices.**

There will be furnished to the successful bidder without cost, the executed Bonds to be delivered to DTC or its agent and the usual closing documents dated as of the date of delivery of and payment for the Bonds, including a certificate that there is no litigation pending or threatened affecting the validity of the Bonds.

The State will confirm to the successful bidder, by a certificate signed on its behalf by the Executive Director or Chair of the State Bond Committee and delivered at the closing, that at the time of the acceptance of the bid, and at the time of the closing, insofar as the State and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Payment. The successful bidder shall make full payment of the purchase price of the Bonds to the State at the time of delivery in federal funds or other immediately available funds without cost to the State.

Tax-Exempt Status. The opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the State Bond Committee, will state that based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance by the State with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel will observe that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. For further information, please refer to “TAX MATTERS” in the Preliminary Official Statement.

Legal Opinion. The opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the State Bond Committee, approving the validity of the Bonds, will be furnished upon delivery of the Bonds. The proposed form of Bond Counsel’s opinion is included in the Preliminary Official Statement as an appendix.

CUSIP Numbers. CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bonds nor any error with respect thereto shall constitute cause for the successful bidder to fail or to refuse to accept delivery of and to pay for the Bonds. No liability shall attach to the State or to any director, officer, employee or agent thereof, including any paying agent or registrar for the Bonds, by reason of such number or by reason of any inaccuracy, error, or omission with respect thereto.

Continuing Disclosure Undertaking. The State covenants and agrees to execute and deliver on or before the date of delivery of the Bonds a continuing disclosure certificate constituting an undertaking (the “Undertaking”) to provide ongoing disclosure about the State for the benefit of the beneficial owners of the Bonds as required under paragraph (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. In the Undertaking, the State will undertake to provide certain annual financial information and to provide notices of certain events with respect to the Bonds. The proposed form of the State’s Undertaking is set forth in the Preliminary Official Statement and will be set forth in the final Official Statement.

The State is Represented by an Independent Registered Municipal Advisor. The State Bond Committee has engaged, is represented by and will rely upon the advice of Acacia Financial Group, Inc., an independent registered municipal advisor, to advise it on the issuance of the Bonds offered for sale in this Notice of Sale, and other aspects of the financing for which the Bonds are being issued. The State intends that (i) this statement constitutes the “required representation” for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3)(vi)(B) and (ii) by publically making this written statement in this Notice of Sale, all prospective bidders and other market participants may rely on this written

statement and receive and use it for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3)(vi).

Additional Information. A Preliminary Official Statement relating to the Bonds and an Official Bid Form for the Bonds may be obtained from Pete Nissen, Acacia Financial Group, Inc., 601 Route 73 North, Suite 206, Marlton, New Jersey 08053, (856) 234-2266 or from Deven J. Mitchell, Debt Manager of the State of Alaska, 333 Willoughby Avenue, State Office Building, 11th Floor, Juneau, Alaska 99811, (907) 465-3750.

The Preliminary Official Statement, referred to above, has been “deemed final” by the State for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion including by the final Official Statement.

By awarding the Bonds to any underwriter or underwriting syndicate submitting a bid, the State agrees that within seven (7) business days after the date of such award the State will provide the senior managing underwriter of the successful syndicate with copies of a final Official Statement. The senior managing underwriter of the successful syndicate will be supplied with final Official Statements in a quantity sufficient to meet its request. Up to 200 copies of the final Official Statement will be furnished without cost.

The State designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the final Official Statement to each participating underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the State (i) it will accept such designation, (ii) it will enter into a contractual relationship with all participating underwriters of the Bonds for purposes of assuring the receipt by each such participating underwriter of the final Official Statement, and (iii) within one business day following the receipt from the State, it will file, or cause to be filed, with the Municipal Securities Rulemaking Board the final Official Statement.

DATED: _____, 2016

State Bond Committee of the State of Alaska

By _____
DEVEN J. MITCHELL
Debt Manager

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of State of Alaska (the “State”), and keeper of the records of the State Bond Committee (the “Committee”), DO HEREBY CERTIFY:

That the attached resolution is a true and correct copy of Resolution No. 2016-02 of the Committee (the “Resolution”), duly passed at a meeting thereof held on January 5, 2016.

That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the passage of said Resolution; that all other requirements and proceedings incident to the proper passage of said Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of January, 2016.

Secretary

STATE BOND COMMITTEE
OF THE STATE OF ALASKA

GENERAL OBLIGATION BOND ANTICIPATION NOTES, SERIES 2016

RESOLUTION NO. 2016-03

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation bond anticipation notes of the State in the aggregate principal amount of not to exceed \$150,000,000; approving the sale of such notes; and authorizing the Designated Representative to approve the interest rate, maturity date and final principal amount for the notes under the terms and conditions set forth herein.

ADOPTED ON JANUARY 5, 2016

PREPARED BY
Orrick, Herrington & Sutcliffe LLP

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*This Table of Contents and the Cover Page are not a part of the following resolution but are included for convenience of the reader.

RESOLUTION NO. 2016-03

A Resolution of the State Bond Committee of the State of Alaska, providing for the issuance and sale of general obligation bond anticipation notes of the State in the aggregate principal amount of not to exceed \$150,000,000; approving the sale of such notes; and authorizing the Designated Representative to approve the interest rate, maturity date and final principal amount of the notes under the terms and conditions set forth herein.

WHEREAS, Sections 1, 3, 4 and 5 of Chapter 18, SLA 2012 (HB 286) (the “State Transportation Bond Act”) authorized the issuance of general obligation bonds of the State of Alaska (the “State”) in the principal amount of not more than \$453,499,200 for the purpose of paying the costs of design and construction of state transportation projects (as more fully set forth in the State Transportation Bond Act); and pursuant to the State Transportation Bond Act, the question whether such bonds should be issued was submitted to the qualified voters of the State at the general election held on November 6, 2012, and said authorization was ratified by a majority of the qualified voters of the State who voted on the question; and

WHEREAS, AS 37.15.300 authorizes the State to issue notes in anticipation of the issuance of general obligation bonds; and

WHEREAS, on March 19, 2015 the State issued \$155,215,000 aggregate principal amount of bond anticipation notes dated March 19, 2015 and maturing on March 18, 2016 (the “2015A Notes”); and

WHEREAS, it is deemed necessary and advisable that the State now issue and sell general obligation bond anticipation notes in the aggregate principal amount of not exceeding \$150,000,000 (as further defined below, the “Notes”) in anticipation of the issuance and sale of a portion of the general obligation bonds so authorized, for the purposes of providing, together with available funds in the 2012 State Transportation Project Fund or in the note account established for the 2015A Notes, moneys to refund all or a portion of the 2015A Notes and/or to pay additional costs of projects authorized by the State Transportation Bond Act; and

WHEREAS, the State Bond Committee (the “Committee”) has determined to delegate authority to the State Debt Manager or his designee (the “Designated Representative”), for a

limited time, to approve the interest rate, maturity date, purchase price and final principal amount of the Notes under the terms and conditions approved by this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE OF THE STATE OF ALASKA:

Section 1. Definitions. As used in this resolution, the following words shall have the following meanings:

Approved Bid means the winning bid submitted for the Notes.

Beneficial Owner means the beneficial owner of all or a portion of a Note while such Note is in fully immobilized form.

Bonds means the State of Alaska General Obligation Bonds to be issued to pay and redeem the Notes or any refunding note or notes.

Bond Year means each one-year period that ends on the date selected by the State. The first and last Bond Years may be short periods. If no day is selected by the Designated Representative before the earlier of the final maturity date of the Notes or the date that is five years after the date of issuance of the Notes, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Notes.

Code means the federal Internal Revenue Code of 1986 and the applicable regulations thereunder.

Commission means the United States Securities and Exchange Commission.

Competitive Sale means the process by which the Notes are sold through the public solicitation of bids from underwriting firms.

Debt Manager means the State Debt Manager.

Designated Representative means the Debt Manager or his designee.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Notes pursuant to Section 4 hereof.

Governmental Person means a state or local governmental unit or any instrumentality thereof. It does not include the United States or any agency or instrumentality thereof.

Letter of Representations means a blanket issuer letter of representations from the State to DTC.

MSRB means the Municipal Securities Rulemaking Board or any successor to its functions.

Net Proceeds, when used with reference to the Notes, means the principal amount of the Notes, plus accrued interest and original issue premium, if any, and less original issue discount if then permitted under AS 37.15.380.

Nongovernmental Person means any Person other than a Governmental Person.

Note Account means the General Obligation Bond Anticipation Note Account, 2016, established pursuant to Section 8.

Note Register means the registration books maintained by the Note Registrar setting forth the names and addresses of owners of the Notes.

Note Registrar means U.S. Bank National Association, Seattle, Washington, as authenticating agent, paying agent and registrar with the duties and powers herein provided, including its successors, and any other corporation or association which may at any time be substituted in its place, as provided in Section 4.

Notes means the State of Alaska General Obligation Bond Anticipation Notes, Series 2016, to be issued in the principal amount of not to exceed \$150,000,000 pursuant to this resolution.

Official Notice of Sale means the notice of sale and bidding instructions authorized to be given in Section 11 of this resolution.

Person means an individual, a trust, estate, partnership, association, company, corporation or governmental unit.

Private Business Use means the use of property in a trade or business by a Nongovernmental Person if such use is other than as a member of the general public. Private Business Use will arise from ownership of the property by a Nongovernmental Person. Private Business Use may also arise from other arrangements that transfer to the Nongovernmental Person the actual or beneficial use of the property (such as certain leases and management contracts). Use of property as a member of the general public includes attendance by the Nongovernmental Person at municipal meetings. Use of property by nonprofit community groups or community recreational groups is not treated as Private Business Use if the property is made available for such use by all such community groups on an equal basis and the term of such use does not exceed 50 days.

Registered Owner means the person named as the registered owner of a Note in the Note Register. For so long as the Notes are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

Rule means the Commission's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

State means the State of Alaska.

State Bond Committee means the duly constituted State Bond Committee established pursuant to AS 37.15.110.

State Transportation Bond Act means Chapter 18, SLA 2012 (HB 286).

2012 State Transportation Project Fund means the fund of that name authorized to be established by Section 2 of the State Transportation Bond Act.

2015A Notes mean the State of Alaska General Obligation Bond Anticipation Notes, Series 2015A, issued on March 19, 2015 and presently outstanding in the principal amount of \$155,215,000.

Underwriter means the initial purchaser or representative of the purchases (if more than one firm acts collectively with one or more additional underwriting firms) of the Notes.

Interpretation of Terms. In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bonds. For the purpose of providing funds necessary to repay the Notes or bond anticipation notes authorized to refund the Notes, the State shall issue its general obligation bonds (the “Bonds”), pursuant to the State Transportation Bond Act in such amount and form and with such terms, as shall be determined by resolution of the State Bond

Committee. The proceeds of the Bonds shall be paid into the Note Account and applied, together with other available funds, in amounts sufficient to repay the Notes.

Section 3. Authorization of Notes. The State shall issue and sell not to exceed \$150,000,000 aggregate principal amount of general obligation bond anticipation notes in anticipation of the sale of bonds authorized by the qualified electors of the State at a special election held on November 6, 2012 for the purposes provided in Sections 1, 3, 4 and 5 of the State Transportation Bond Act. The Notes shall be dated the date of their delivery, shall be fully registered as to both principal and interest, shall be in the denomination of \$5,000 each or any integral multiple thereof, shall be numbered separately in such manner and with any additional designation as the Note Registrar deems necessary for purposes of identification and control, shall bear interest payable at maturity at the rate set forth in the Approved Bid; and shall mature on the date and in the principal amount set forth in the Approved Bid and as approved by the Designated Representative in accordance with Section 11.

Section 4. Registration.

(a) Note Registrar; Note Register. The State Bond Committee hereby selects U.S. Bank National Association, Seattle, Washington, as the Note Registrar, for the safeguarding and disbursement of the money for the payment of debt service on the Notes and for the duties herein set forth with respect to the authentication, delivery and registration of the Notes. The Note Registrar shall also act as registrar on the Bonds. The Notes shall be issued only in registered form as to both principal and interest. The Note Registrar may resign at any time upon 30 days' prior written notice to the State Bond Committee and may be removed at any time at the option of the State Bond Committee upon prior notice to the Note Registrar and appointment of a successor Note Registrar. No resignation or removal of the Note Registrar shall be effective until a successor shall have been appointed and until the successor Note Registrar shall have accepted the duties of the Note Registrar hereunder. If a successor Note Registrar has not been appointed within 30 days after the giving of such notice of resignation or removal, the retiring Note Registrar may petition a court of competent jurisdiction for the appointment of a successor.

The Note Registrar shall keep, or cause to be kept, at its corporate trust office, sufficient books for the registration and transfer of the Notes which shall at all times be open to inspection by the State (the “Note Register”). The Note Registrar is authorized, on behalf of the State, to authenticate and deliver Notes transferred or exchanged in accordance with the provisions of such Notes and this resolution and to carry out all of the Note Registrar's powers and duties under this resolution. The Note Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Notes.

(b) Registered Ownership. The State and the Note Registrar shall deem and treat the Registered Owner of each Note as the absolute owner thereof for all purposes (except as provided in Section 13 of this resolution), and neither the State nor the Note Registrar shall be affected by any notice to the contrary. Payment of any such Note shall be made only as described in Section 4(h) hereof, but such Note may be transferred as hereinafter provided. All such payments made as described in Section 4(h) shall be valid and shall satisfy and discharge the liability of the State upon such Note to the extent of the amount or amounts so paid.

(c) DTC Acceptance/Letter of Representations. To induce DTC to accept the Notes as eligible for deposit at DTC, the State has executed and delivered to DTC a Letter of Representations.

Neither the State nor the Note Registrar shall have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Notes in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant; the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Notes; any notice that is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the State to the Note Registrar or to DTC or to any successor depository); or any consent given or other action taken by DTC (or by any successor depository) as the Registered Owner. Except as provided in Section 13 in connection with the Rule, for so long as any Notes are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered

Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Notes.

If any Note shall be duly presented for payment and funds have not been duly provided by the State on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Note until such Note is paid.

(d) Use of Depository.

(1) The Notes shall be registered initially in the name of “CEDE & Co.,” as nominee of DTC, in the form of a single immobilized Note in a denomination corresponding to the total principal therein designated to mature on the maturity date. Registered ownership of such immobilized Notes, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Designated Representative pursuant to subsection (2) below or such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Designated Representative to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Designated Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Note Registrar shall, upon receipt of all outstanding Notes, together with a written request on behalf of the Designated Representative, issue a single new Note, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Designated Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository and no substitute depository can be obtained,

or (B) the Designated Representative determines that it is in the best interest of the Beneficial Owners of the Notes that such owners be able to obtain such notes in the form of Note certificates, the ownership of such Notes may then be transferred to any person or entity as provided in subsection 4(e), and shall no longer be held in fully-immobilized form. The Designated Representative shall deliver a written request to the Note Registrar, together with a supply of definitive Note certificates, to issue Notes as herein provided in any authorized denomination. Upon receipt by the Note Registrar of all then outstanding Notes together with a written request on behalf of the Designated Representative to the Note Registrar, new Note certificates shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) Registration of Transfer of Ownership or Exchange; Change in Denominations.

The transfer of any Note may be registered and Notes may be exchanged, but no transfer or exchange of any such Note shall be valid unless such Note is surrendered to the Note Registrar with the assignment form appearing on such Note duly executed by the Registered Owner or such Registered Owner's duly authorized agent or attorney in a manner satisfactory to the Note Registrar. Upon such surrender, the Note Registrar shall cancel the surrendered Note and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Note (or Notes at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Note, in exchange for such surrendered and cancelled Note. Any Note may be surrendered to the Note Registrar and exchanged, without charge, for an equal aggregate principal amount of Notes of the same date, maturity and interest rate, in any authorized denomination. The Note Registrar shall not be obligated to register the transfer or to exchange any Note during the 15 days preceding the date any such Note is paid.

(f) Note Registrar's Ownership of Notes. The Note Registrar may become the Registered Owner of any Note with the same rights it would have if it were not the Note Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Notes.

(g) Registration Covenant. The State covenants that, until all Notes have been surrendered and cancelled, it will maintain a system for recording the ownership of each Note that complies with the provisions of Section 149 of the Code.

(h) Place and Medium of Payment. Both principal of and interest on the Notes shall be payable in lawful money of the United States of America. Interest on the Notes shall be calculated on the basis of a 360-day year and twelve 30-day months. For so long as the Notes are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations.

In the event that the Notes are no longer in fully immobilized form, interest on the Notes shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Note Register on the 15th day of the month preceding the interest payment date, and principal of the Notes shall be payable upon presentation and surrender of such Notes by the Registered Owners at the designated office of the Note Registrar; provided, however, that if so requested in writing by the Registered Owner of at least \$1,000,000 principal amount of Notes, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

Section 5. Redemption and Purchase of Notes.

(a) No Redemption. The Notes shall not be subject to redemption prior to their stated maturity.

(b) Purchase of Notes. The State reserves the right to purchase any of the Notes offered to the State at any time at a price deemed reasonable by the Debt Manager.

Section 6. Form of Notes. The Notes shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____ \$ _____

STATE OF ALASKA

GENERAL OBLIGATION BOND ANTICIPATION NOTE, SERIES 2016

INTEREST RATE: MATURITY DATE: CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The STATE OF ALASKA (the “State”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, 2016 at the Interest Rate set forth above, payable at maturity. Both principal of and interest on this note are payable in lawful money of the United States of America. For so long as the notes of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made in accordance with the operational arrangements of The Depository Trust Company (“DTC”) referred to in the Blanket Issuer Letter of Representations (the “Letter of Representations”) from the State to DTC. The State Bond Committee has appointed U.S. Bank National Association, Seattle, Washington, to act as registrar, paying agent and authenticating agent for the Notes (the “Note Registrar”).

This note is one of an authorized issue of notes of like date and tenor, except as to number and amount, in the aggregate principal amount of \$_____ (the “Notes”) and is issued pursuant to Resolution No. 2016-03 (the “Note Resolution”) adopted by the State Bond Committee on January 5, 2016 to provide funds to pay costs of certain transportation projects approved by the qualified electors of the State at the general election held therein on November 6, 2012 and to refund a portion of the State's Bond Anticipation Notes, Series 2015A. Capitalized terms used in this note and not otherwise defined shall have the meanings given them in the Note Resolution.

The notes of this issue are not subject to redemption prior to their scheduled maturity.

The notes of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and resolutions duly adopted by the State Bond Committee, including the Note Resolution.

The notes of this issue are not “private activity bonds” as such term is defined in the Internal Revenue Code of 1986, (the “Code”). The notes of this issue are not “qualified tax-exempt obligations” under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

The State has irrevocably covenanted that it will deposit in the State’s General Obligation Bond Anticipation Note Account, 2016 authorized to be maintained by the Note Resolution, money pledged, bond proceeds or refunding note proceeds, in amounts which, together with other moneys of the State legally available therefor, will be sufficient to pay the principal of and interest on this note as the same shall become due. The notes of this issue are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal and interest on the notes of this issue.

This note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Note Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Note Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska to exist, to have happened, been done and performed precedent to and in the issuance of this note have happened, been done and performed and that the issuance of this note and the notes of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the State may incur.

IN WITNESS WHEREOF, the State of Alaska has caused this note to be executed by the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the seal of the State to be impressed, imprinted or otherwise reproduced hereon, as of the ____ day of March, 2016.

STATE OF ALASKA

By _____/s/ facsimile_____
William M. Walker
Governor of the State of Alaska

ATTEST:

By _____/s/ facsimile_____
Byron Mallot

Lieutenant Governor of the State of Alaska

The Note Registrar's Certificate of Authentication on the Notes shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This note is one of the notes described in the within-mentioned Note Resolution and is one of the State of Alaska, General Obligation Bond Anticipation Notes, Series 2016, of the State, dated March __, 2016.

U.S. BANK NATIONAL ASSOCIATION, as
Note Registrar

By _____
Authorized Signer

Section 7. Execution of Notes. The Notes shall be executed on behalf of the State with the manual or facsimile signatures of the Governor and Lieutenant Governor of the State of Alaska, and the corporate seal of the State shall be impressed, imprinted or otherwise reproduced thereon.

Only such Notes as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed by the Note Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Notes so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this resolution.

In case either of the officers who have executed the Notes shall cease to be officer or officers of the State before the Notes so signed shall have been authenticated or delivered by the Note Registrar, or issued by the State, such Notes may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the State as though those who signed the same had continued to be such officers of the

State. Any Note may also be signed and attested on behalf of the State by such persons who are at the actual date of delivery of such Note the proper officers of the State although at the original date of such Note any such person shall not have been such officer of the State.

Section 8. Note Account and Security for the Notes.

(a) Note Account. A special account of the State to be known as the “State of Alaska General Obligation Bond Anticipation Note Account, 2016” (the “Note Account”) is hereby authorized to be created by the Debt Manager. The Note Account shall be a trust account and shall be drawn upon for the sole purpose of paying when due the principal of and interest on the Notes. Money on deposit in the Note Account not immediately needed to pay such interest or principal may temporarily be deposited in such institutions or invested in such obligations that are legal investments for State funds. Any interest or profit from the investment of such money shall be deposited in the Note Account. Any money remaining in the Note Account after payment in full of the principal of and interest on the Notes may be transferred to the general fund of the State, and the Note Account shall be closed. The State covenants that on or before the maturity dates of the Notes it will issue the Bonds, refunding bond anticipation notes, or a combination of the foregoing in an amount sufficient to pay the Notes when due.

(b) Pledge. The Notes are general obligations of the State. The full faith, credit and resources of the State are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Notes.

Before December 1, 2016, this Committee shall certify to the Commissioner of Administration of the State the amount needed for to meet principal and interest requirements for the Notes. The Commissioner of Administration shall set aside these amounts or make the necessary provisions for the setting aside of these amounts so that there will be sufficient money to pay the principal and interest on the due date.

The pledge of such money may be discharged prior to maturity of the Notes by making full provision for the payment thereof.

Section 9. Defeasance. In the event that money and/or government obligations, which are noncallable direct obligations of the United States or obligations unconditionally guaranteed by the United States, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Notes in accordance with their terms, as evidenced by a report of an independent accountant or verification agent (which report shall be required only if the defeasance is not a full cash defeasance (i.e., such report shall only be required if government obligations constitute all or part of the deposit from which payments to effect the defeasance will be made)), are set aside in a special account of the State to effect such redemption and retirement, and such moneys and the principal of and interest on such government obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made for the payment of the principal of and interest on the Notes so provided for, and such Notes shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the moneys so set aside and pledged, and such Notes shall be deemed not to be outstanding hereunder.

The Note Registrar shall provide notice of defeasance of Notes to registered owners and to each party entitled to receive notice pursuant to Section 13.

Section 10. Tax Covenants.

(a) Arbitrage Covenant. The State hereby covenants that it will not make any use of the proceeds of sale of the Notes or any other funds of the State that may be deemed to be proceeds of such Notes pursuant to Section 148 of the Code that will cause the Notes to be “arbitrage bonds” within the meaning of said section. The State shall comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bonds) throughout the term of the Notes.

(b) Private Business Use Limitation for Notes. The State covenants that for so long as the Notes are outstanding, it will not permit any uses of the assets financed by the Notes that would result in the Notes being private activity bonds within the meaning of Section 141(a) of the Code.

(c) The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Notes.

Section 11. Sale of Notes.

(a) The Notes shall be sold by competitive sale. Bids will be received by the Designated Representative or the competitive sale will be undertaken by electronic means, in the manner and on such date and time as the Designated Representative hereafter shall determine. The Designated Representative will approve the bid offering to purchase the Notes at the lowest net interest cost to the State at such price as shall be determined at the time of sale by the Designated Representative, plus accrued interest to the date of delivery, on all the terms and conditions set out in the applicable Official Notice of Sale.

All bids submitted for the purchase of the Notes shall be as set forth in the Official Notice of Sale or otherwise as established by the Designated Representative which will be furnished upon request made to the Designated Representative. Such bids shall be accompanied by surety bond or a cashier's or certified check, as a good faith deposit, made payable to the order of the State, in an amount, if any, determined by the State's financial advisor. The good faith deposit of the successful bidder shall be security for the performance of its bid and shall be held as liquidated damages in case the successful bidder fails to take up and pay for the Notes within 45 days if tendered for delivery. All bids submitted shall be opened (but not read publicly) by the State. The State reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

(b) The Designated Representative is authorized to negotiate terms for the purchase of the Notes and to approve and accept an Approved Bid, with such terms as are approved by the Designated Representative pursuant to this section and consistent with this resolution. The State Bond Committee has determined that it would be in the best interest of the State to delegate to the Designated Representative for a limited time the authority to determine the final interest rate, maturity date, and the final principal amount of the Notes. The Designated Representative is hereby authorized to approve the final interest rate, maturity date and final principal amount of the Notes in the manner provided hereinafter so long as (i) the aggregate principal amount of the Notes does not exceed \$150,000,000; (ii) the maturity date is not later

than 12 months following the date of issuance and (iii) the net interest cost for the Notes does not exceed one and one-half percent (1.5%).

Subject to the terms and conditions set forth in this Section 11, the Designated Representative is hereby authorized to approve the Approved Bid upon the Designated Representative's approval of the final interest rate, maturity date and final principal amount, set forth therein. Following the approval of an Approved Bid, the Designated Representative shall provide a report to the State Bond Committee, describing the final terms of the Notes approved pursuant to the authority delegated in this section. The authority granted to the Designated Representative by this Section 11 shall expire 210 days after the date of adoption of this resolution. If an Approved Bid has not been accepted within 210 days after the date of final approval of this resolution, the authorization for the issuance the Notes shall be rescinded, and the Notes shall not be issued nor their sale approved unless the Notes shall have been re-authorized by resolution of the State Bond Committee. The resolution re-authorizing the issuance and sale of such Notes may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the Notes not issued) or may be in the form of an amendatory resolution approving an approved bid or establishing terms and conditions for the authority delegated under this Section 11.

(c) Upon the adoption of this resolution, the proper officials of the State including the Designated Representative, are authorized and directed to undertake all other actions necessary for the prompt sale, execution and delivery of the Notes and further to execute all closing certificates and documents required to effect the closing and delivery of the Notes in accordance with the terms of the Official Notice of Sale and the Approved Bid. The Designated Representative is authorized to approve and “deem final” for purposes of the Rule a preliminary official statement and any amendments thereto prior to the date of the official statement and is authorized to ratify and to approve for purposes of the Rule, and to execute on behalf of the State, the official statement relating to the issuance and sale of the Notes and to ratify and approve the distribution of such preliminary official statement and official statement pursuant thereto with such changes, if any, as may be deemed by him to be appropriate.

Section 12. Application of Note Proceeds. The money derived from the sale of the Notes shall be allocated and expended as described in this section.

(a) A portion of the Note proceeds shall be used for the payment of the allocable costs of issuance of the Notes.

(b) A portion of the Note proceeds in the amount designated by the Designated Representative shall be deposited in the State of Alaska General Obligation Bond Anticipation Note Account, 2015 and be used to pay and redeem the 2015A Notes.

(c) The remaining proceeds derived from the Notes shall be allocated among the authorizations contained in Sections 3, 4 and 5 of the State Transportation Bond Act. The amount withdrawn from the public facility planning fund (AS 35.10.135) for the purpose of advance planning for the capital improvements to be financed by the Bonds shall be reimbursed to the fund from Note proceeds. Proceeds allocable to the State Transportation Bond Act shall be deposited in the 2012 State Transportation Project Fund. Proceeds of the Notes may be invested by the Debt Manager at the direction of the State in any legal investment for funds of the State, and the interest earnings shall be credited to the 2012 State Transportation Project Fund. Any unexpended and unobligated balances allocated for the projects described in Sections 3, 4 and 5 of the State Transportation Bond Act lapse under AS 37.25.020 and are appropriated by Section 6 of the State Transportation Bond Act to pay and redeem Notes.

Section 13. Undertaking to Provide Ongoing Disclosure. The State Bond Committee hereby authorizes the Designated Representative to enter into an agreement for ongoing disclosure, substantially in the form attached to the preliminary official statement for the Notes for the benefit of the Beneficial Owners of the Notes and to assist the Underwriter in complying with Section (b)(5) of the Rule.

Section 14. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the State shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants

and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Notes.

Section 15. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the
5th day of January, 2016.

STATE OF ALASKA
STATE BOND COMMITTEE

Chris Hladick
Commissioner, Department of Commerce Community
and Economic Development
Chair and Member
Alaska State Bond Committee

Sheldon Fisher
Commissioner, Department of Administration
Member
Alaska State Bond Committee

Randall Hoffbeck
Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of State of Alaska (the “State”), and keeper of the records of the State Bond Committee (the “Committee”), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2016-03 of the Committee (the “Resolution”), duly passed at a meeting thereof held on January 5, 2016.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the passage of said Resolution; that all other requirements and proceedings incident to the proper passage of said Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of January, 2016.

Secretary

OFFICIAL NOTICE OF SALE AND BIDDING INSTRUCTIONS

STATE OF ALASKA



\$ _____ *

**General Obligation Bond Anticipation Notes
Series 2016**

Electronic Bids, as Described Herein
Will Be Accepted Until
11:00 A.M. ____ Time**
February __, 2016**

OFFICIAL NOTICE OF SALE AND BIDDING INSTRUCTIONS

* Preliminary, subject to change both before and after award as provided for in this Official Notice of Sale.

** Preliminary, subject to change before the sale date and time as provided for in this Official Notice of Sale.

STATE OF ALASKA
\$ _____*
General Obligation Bond Anticipation Notes
Series 2016

NOTICE IS HEREBY GIVEN that electronic bids will be received at the place, on the date and until the time specified below for the purchase of all, but not less than all, of the \$ _____* aggregate principal amount of General Obligation Bond Anticipation Notes, Series 2016 (the “Notes”), to be issued by the State of Alaska (the “State”).

DATE: February __, 2016**

TIME: 11:00 A.M. ____ Time**

ELECTRONIC BIDS: Must be submitted in their entirety via BiDCOMP™/Parity® as described below. **No other form of bid or provider of electronic bidding services will be accepted.**

ELECTRONIC BIDDING AND BIDDING PROCEDURES

Registration to Bid. All prospective bidders must be contracted customers of BiDCOMP™/Parity® Competitive Bidding System (“BiDCOMP/Parity”). If you do not have a contract with BiDCOMP™, call (212) 849-5021 to become a customer. No other provider of electronic bidding services and no other means of delivery (i.e. telephone, telefax, telegraph, personal delivery, etc.) of bids will be accepted. If any provisions of this Notice of Sale shall conflict with information provided by BiDCOMP/Parity as approved provider of electronic bidding services, this Notice of Sale shall control. Further information about BiDCOMP/Parity, including any fee charged, may be obtained from BiDCOMP/Parity at (212) 849-5021.

By submitting a bid for the Notes, a prospective bidder represents and warrants to the State that such bidder’s bid for the purchase of the Notes (if a bid is submitted) is submitted for and on behalf of such prospective bidder by an officer or agent who is authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Notes.

Disclaimer. Each prospective bidder shall be solely responsible to register to bid via BiDCOMP/Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access BiDCOMP/Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the State nor BiDCOMP/Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and

* Preliminary, subject to change both before and after award as provided in this Official Notice of Sale.

** Preliminary, subject to change before the sale date and time as provided in this Official Notice of Sale.

neither the State nor BiDCOMP/Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by BiDCOMP/Parity. The State is using BiDCOMP/Parity as a communication mechanism, and not as the State's agent, to conduct electronic bidding for the Notes. The State is not bound by any advice and determination of BiDCOMP/Parity to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the "Bid Procedures" described below. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/Parity are the sole responsibility of the bidders, and the State is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Notes, it should telephone BiDCOMP/Parity and notify the State by email to deven.mitchell@alaska.gov or facsimile at 907-465-2902 and to Pete Nissen at Acacia Financial Group, Inc., the State's Financial Advisor, by email to pnissen@acaciafin.com or facsimile at 856-234-6697.

Bidding Procedures. Bids must be submitted electronically for the purchase of the Notes (all or none) by means of the Bid Forms via BiDCOMP/Parity by 11:00 A.M. Eastern Time on _____, February __, 2016 unless postponed as described herein (see "Postponement"). Prior to that time, a prospective bidder may input and save proposed terms of its bid in BiDCOMP/Parity. Once the final bid has been saved in BiDCOMP/Parity, the bidder may select the final bid button in BiDCOMP to submit the bid to BiDCOMP/Parity. Once the bids are communicated electronically via BiDCOMP/Parity to the State, each bid will constitute an irrevocable offer to purchase the Notes on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on BiDCOMP shall constitute the official time. For information purposes only, bidders are requested to state in their bids the net interest cost to the State, as described under "Basis of Award" below, represented by the rate of interest and the bid price specified in their respective bids.

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by means of the Bid Form via BiDCOMP. No bid will be received after the time for receiving such bids specified above.

Award of the Notes. The State will award the Notes (or all bids will be rejected) by 1:00 P.M. Eastern Time on _____, _____, 2016, to the responsible bidder complying with the terms of this Official Notice of Sale and offering to purchase the Notes at the lowest net interest cost to the State.

Basis of Award. The Notes will be awarded to the bidder (herein, the "Purchaser") whose bid conforms to the terms of this offering and produces the lowest net interest cost ("NIC") to the State for the Notes. The NIC shall be computed, as to each bid, by adding the total principal amount of the Notes bid for (which shall be all of the Notes offered), the total interest cost to maturity in accordance with such bid and by deducting therefrom the amount of premium, if any, bid. No proposal for less than 100% of the principal amount of the Notes will be considered. No proposal for the purchase of less than all of the Notes will be considered. In the event of more than one proposal specifying the same lowest NIC for the Notes, the Notes will be awarded on the basis of an agreement to syndicate the full amount of the Notes among all such bidders at the lowest NIC,

provided that only one such Purchaser shall assume the role as lead Purchaser. If under such circumstances, an agreement among multiple Purchasers at the lowest NIC cannot be reached, the State shall determine, based upon the highest premium stated in said bids (or in its sole discretion if the stated premiums are the same), which bid shall be accepted, and such determination shall be final.

Interest Rate and Bid Price. The Notes will be sold in one block on an “all or none” basis, and **at a price not less than 100% and not more than one hundred and five percent (105%) of the principal amount of the Notes.** Bidders are invited to name the rate of interest to be borne by the Notes, provided that each rate bid must be a multiple of one-eighth (1/8) of one percent (1%) or one-twentieth (1/20) of one percent (1%). The Notes must bear one interest rate.

Adjustment of Principal Amount of Notes and Bid Price. The State has reserved the right to increase or decrease the principal amount of the Notes by an amount not to exceed 10 percent following the opening of the bids. The price bid by the successful bidder will be adjusted by the State to reflect an increase or decrease in the principal amount, taking into account the interest rates, reoffering yield and underwriting spread contained in the initial bid. The successful bidder will be provided with any adjustments, in writing, by 4:00 P.M. Eastern Time on the date of sale.

Modifications. The State reserves the right to modify any term of this Notice of Sale and/or the Preliminary Official Statement for any reason by notice on the Amendments Page of the BiDCOMP/Parity website no later than 5:00 p.m., _____ Standard Time, on February __, 2016* (or, in the event of a postponement in accordance herewith, the day prior to the reset bid date).

Right of Postponement. The State also reserves the right to postpone the sale and to set a new time for the sale either separately or at one time. Postponement may be effected by 8:00 a.m. _____ Time on February __, 2016,* by a Statement of Postponement carried on the Amendments page of the BiDCOMP/Parity website (the “Statement of Postponement”). At the same time or within 48 hours following the Statement of Postponement, the State may reset a new time for the sale. The reset sale notice may state different terms and conditions of sale and may refer to this Notice of Sale for any or all terms of sale. All bidders will be deemed to have assented to the above conditions by submitting a bid, and lack of actual notice of the postponement or of the reset terms of sale will not be considered.

Right of Rejection. The State reserves the right to reject any and all bids, to waive any irregularity or informality in any bid, to take any actions adjourning or postponing the sale of the Notes or to take any other action that the State deems to be in its best interest. In the event the State rejects all bids, notice of a new sale date, if any, will be carried on the Amendments page of the BiDCOMP/Parity website.

* Preliminary, subject to change before the sale date and time as provided below.

THE NOTES

Note Details. The Notes will be dated and bear interest from _____, 2016 at the rate determined as set forth above and will mature on _____, 2017. The principal of and interest on the Notes shall be paid at maturity. Interest on the Notes will be calculated on the basis of twelve (12) thirty (30)-day months in a three hundred sixty (360)-day year.

Immobilization of the Notes. The Notes will be issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”) as registered owner of the Notes and will be immobilized in the custody of DTC as securities depository for the Notes. A book-entry system will be employed by DTC evidencing ownership of the Notes in principal amounts of \$5,000 or any integral multiple thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC.

Principal and interest on the Notes will be payable at maturity to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and persons acting through such participants (the “Participants”), and other nominees of beneficial owners. The State will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, the payment by DTC or a Participant of principal of or interest on the Notes, any notice to note holders or any consent given or other action taken by DTC as the registered owner of the Notes.

Optional Redemption. The Notes are not subject to redemption prior to maturity.

Security for the Notes. The Notes will be general obligations of the State, and the full faith, credit and resources of the State will be pledged to the payment of the principal of and interest on the Notes. The Notes will be paid from the next succeeding sale of bonds or from the proceeds of new notes issued by the State.

For the payment of principal and interest on general obligation indebtedness, including the Notes, the State has the power to levy taxes, including taxes on all taxable property and income in the State, without limitation as to rate or amount.

The security and sources of payment of the Notes is described in the Preliminary Official Statement and in Resolution No. 2016-03, adopted by the State Bond Committee on January 5th, 2016, and those documents should be consulted for a more detailed description of the security and sources of payment for the Notes.

Good Faith Deposit. The successful Purchaser(s) will be required to post a good faith deposit (the “Deposit”) in the form of a federal funds wire transfer in the amount of \$1,000,000 to be received by the State not later than 2:00 P.M. Eastern Time on the date of sale (the “Deposit

Deadline”). The State will provide wire transfer directions at the time of the award. If the Deposit is not received by the Deposit Deadline, the award of the sale of the Notes to the successful bidder may be cancelled by the State in its discretion without any financial liability of the State to the successful bidder or any limitation whatsoever on the State's right to sell the Notes to a different purchaser upon such terms and conditions as the State deems appropriate.

The Good Faith Deposit will be held by the State to ensure the successful bidder's compliance with the terms of its bid and this Notice of Sale and Bidding Instructions and will be applied to the purchase price on the date of delivery of the Notes. Pending delivery of the Notes, the good faith deposit may be invested for the sole benefit of the State. In the event the successful bidder fails or refuses to pay for the Notes in accordance with its bid, the amount of the good faith deposit and any investment earnings thereon shall be accepted by the State as full and complete liquidated damages.

Delivery. It is expected that the Notes in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York on or about _____, 2016 and that closing will take place on the same date in Seattle, Washington or at another location specified by the State. The successful bidder will be required to provide to the State, by 1:00 P.M. Eastern Time on _____, _____, 2016, information as to the initial offering price of the Notes to the public (excluding bond-houses and brokers) at which a substantial amount of the Notes were sold. Such information must be confirmed with a certificate, dated the date of closing of the Notes, in form and substance satisfactory to Bond Counsel, showing that at least 10% of the Notes were sold to the public at initial public offering prices not exceeding the prices of the Notes set forth in the initial statement of such prices.

There will be furnished to the successful bidder without cost, the executed Notes to be delivered to DTC or its agent and the usual closing documents dated as of the date of delivery of and payment for the Notes, including a certificate that there is no litigation pending or threatened affecting the validity of the Notes.

The State will confirm to the successful bidder, by a certificate signed on its behalf by the Debt Manager of the State and delivered at the closing, that at the time of the acceptance of the bid, and at the time of the closing, insofar as the State and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

Payment. The successful bidder shall make full payment of the purchase price of the Notes to the State at the time of delivery in Federal Funds or other immediately available funds without cost to the State.

Tax-Exempt Status. The opinion of Orrick Herrington & Sutcliffe LLP, Bond Counsel, will state that based upon an analysis of existing statutes, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is not a specific preference item for

purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel will observe that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. See “TAX MATTERS” in the Preliminary Official Statement.

Legal Opinion. The approving opinion of Orrick Herrington & Sutcliffe LLP, Bond Counsel to the State Bond Committee, approving the validity of the Notes and substantially in the form included in the Preliminary Official Statement and Official Statement, will be furnished upon delivery of the Notes.

CUSIP Numbers. CUSIP identification numbers will be printed on the Notes, but neither the failure to print such number on any Notes nor any error with respect thereto shall constitute cause for the successful bidder to fail or refuse to accept delivery of and pay for the Notes. No liability shall attach to the State or any officer or agent thereof, including any paying agent or registrar for the Notes, by reason of such number or by reason of any inaccuracy, error, or omission with respect thereto.

Continuing Disclosure Undertaking. The State covenants and agrees to execute and deliver on or before the date of delivery of the Notes a continuing disclosure certificate constituting an undertaking (the “Undertaking”) to provide ongoing disclosure about the State for the benefit of the beneficial owners of the Notes as required under paragraph (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. In the Undertaking, the State will undertake to provide certain annual financial information and to provide notices of certain events with respect to the Notes. The proposed form of the State’s Undertaking is set forth in the Preliminary Official Statement and will be set forth in the final Official Statement.

Additional Information. The Preliminary Official Statement of the State of Alaska in respect to the Notes may be accessed via the internet at www.MuniOS.com. The Preliminary Official Statement, the Official Notice of Bond Sale and the Resolution, together with other pertinent information for the Notes also may be obtained from the State upon request made to the Debt Manager of the State of Alaska, Department of Revenue, P.O. Box 110405, Juneau, Alaska 99811 (phone 907-465-3409, fax 907-4652902). The Preliminary Official Statement, referred to above, as of its dated date is “deemed final” by the State for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion.

By awarding the Notes to any underwriter or underwriting syndicate submitting a bid, the State agrees that within seven (7) business days after the date of such award it shall provide the the Purchaser with copies of the final Official Statement. The Purchaser will be supplied with the final Official Statements in a quantity sufficient to meet its request. Up to 200 copies of the final Official Statement will be furnished without cost to the Purchaser. Copies of the Official Statement in excess of 200 will be furnished at the request of the Purchaser at its own expense. The Purchaser will be required to provide pricing information necessary for the State to complete the Official Statement.

The State designates the senior managing underwriter of the syndicate to which the Notes are awarded as its agent for purposes of distributing copies of the final Official Statement to each participating underwriter. Any underwriter executing and delivering an

Official Bid Form with respect to the Notes agrees thereby that if its bid is accepted by the State (i) it shall accept such designation, (ii) it will enter into a contractual relationship with all participating underwriters of the Notes for purposes of assuring the receipt by each such participating underwriter of the final Official Statement, and (iii) it will file, or cause to be filed, within one business day following the receipt from the State, the final Official Statement with a nationally recognized municipal securities information repository so designated by the Securities and Exchange Commission.

DATED: ____ ____, 2016

STATE OF ALASKA

By _____

DEVEN J. MITCHELL, Debt Manager

STATE BOND COMMITTEE
OF THE STATE OF ALASKA

RESOLUTION NO. 2016-04

Providing for the Issuance of

Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series A
and of
Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series B

Approved on January 5, 2016

Prepared by:

ORRICK, HERRINGTON & SUTCLIFFE LLP

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* This Table of Contents is not a part of the following resolution.

STATE BOND COMMITTEE

RESOLUTION NO. 2016-04

A Resolution of the State Bond Committee of the State of Alaska relating to the issuance and sale of two series of notes to be designated as Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series A in the aggregate principal amount of up to \$100,000 and Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series B in the aggregate principal amount of up to \$100,000; fixing the place of payment and other covenants with respect to said notes; and authorizing the Debt Manager to solicit proposals from banks for the purchase of the notes, to approve the final interest costs and maturity dates for the notes and to execute a purchase contract, under the terms and conditions set forth herein.

WHEREAS, the Federal Water Quality Act of 1987 (the “Clean Water Act”) established a state revolving fund program in order to replace the United States Environmental Protection Agency (“EPA”) construction grants program with revolving loan programs operated by the individual states; and

WHEREAS, the Safe Drinking Water Act Amendments of 1996, amending the Safe Drinking Water Act (the “Drinking Water Act”) also established a state revolving fund program in order to permit states to establish revolving fund loan programs; and

WHEREAS, in order to capitalize state revolving funds, the EPA may make annual capitalization grants to the states, on the condition that each state provide a state match for such state’s revolving funds; and

WHEREAS, Chapter 141 of the Session Laws of Alaska of 1996, as amended in 2000 by the Alaska Legislature in House Bill 304(FIN) and as codified at AS 37.15.560-.605 and AS 46.03.032-.039 (the “Act”), authorized the issuance and sale of Alaska Clean Water Fund revenue bonds of the State of Alaska (the “State”) in the principal amount of up to \$15,000,000 per Fiscal Year or up to \$150,000,000 total to provide financial assistance to municipalities and other qualified entities through the Alaska Clean Water Fund Loan Program (the “Authorized Clean Water Bonds”); and

WHEREAS, the Act authorized the issuance and sale of Alaska Drinking Water Fund revenue bonds of the State in the principal amount of up to \$15,000,000 per Fiscal Year or up to \$150,000,000 total to provide financial assistance to municipalities and other qualified entities through the Alaska Drinking Water Fund Loan Program (the “Authorized Drinking Water Bonds”); and

WHEREAS, AS 37.15.300-.390 authorizes the State Bond Committee (the “Committee”), when the Committee considers it in the best interests of the State, to borrow money in anticipation of the sale of revenue bonds if money to be derived from the sale of the bonds has been appropriated and if the revenue bonds have been authorized by law; and

WHEREAS, the Committee wishes to delegate authority to the Debt Manager of the State to solicit proposals from banks for the purchase of the notes authorized herein, approve the interest costs and maturity dates for the Notes within the parameters described in this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE OF THE STATE OF ALASKA, as follows:

Section 1. Defined Terms. In this resolution, the following terms shall have the following meanings.

Act means Chapter 141 of the Session Laws of Alaska of 1996, as amended by House Bill No. 304 (FIN), codified at AS 37.15.560-.605 and AS 46.03.032-.039.

Alaska Clean Water Fund or **Clean Water Fund** means the fund established pursuant to AS 46.03.032(a).

Alaska Drinking Water Fund or **Drinking Water Fund** means the fund of that name established pursuant to AS 46.03.036.

Bank means the bank selected and identified by the Designated Representative in accordance with the authority granted to him pursuant to Section 5 hereof.

Bond Fund – Clean Water means the Alaska Clean Water Fund Revenue Bond Redemption Fund, established pursuant to AS 37.15.565.

Bond Fund – Drinking Water means the Alaska Drinking Water Fund Revenue Bond Redemption Fund, established pursuant to AS 37.15.565.

Bonds mean Clean Water Bonds or the Drinking Water Bonds.

Clean Water Act means the Federal Clean Water Act, as amended by the Federal Water Quality Act of 1987, 33 U.S.C. 1251-1387.

Clean Water Bonds means the bonds payable from Clean Water Revenues which include interest on loan repayments and investment interest and issued under authority of AS 37.15.560-.605 pursuant to authorization of the Committee.

Clean Water Maturity Date means the date of maturity of the Clean Water Note, which date of maturity shall be specified in the Purchase Contract and shall be no later than December 31, 2016.

Clean Water Note, as further defined in Section 4(a), means the Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series A in the aggregate principal amount of up to \$100,000.

Clean Water Project means any one of the following categories of projects:

- (a) planning, designing, building, constructing and rehabilitating a public

wastewater collection, treatment or discharge system;

(b) implementing a management program for controlling water pollution from nonpoint sources under 33 U.S.C. 1329, including planning, designing, building, constructing and rehabilitating a solid waste management system; and

(c) developing and implementing an estuary conservation and management program under 33 U.S.C. 1330.

Clean Water Rate means the per annum interest rate payable on the Clean Water Note, which interest rate shall be specified in the Purchase Contract.

Clean Water Revenues means the money on hand in the Clean Water Fund, including money appropriated by the State Legislature to meet federal matching requirements, federal capitalization grants, loan repayments, interest received from loan repayments and interest received from investment of money in the Clean Water Fund and the proceeds and accrued interest received from the sale of Clean Water Bonds issued under AS 37.15.560-.605 and secured by the Clean Water Fund.

Committee means the state bond committee, created pursuant to AS 37.15.110, whose members include the commissioner of commerce, community and economic development, the commissioner of administration and the commissioner of revenue.

DEC means the State of Alaska Department of Environmental Conservation, or a successor.

DEC Representative means the Commissioner of DEC or such other official of DEC as shall be designated by the Commissioner in writing to the Designated Representative.

Designated Representative means the Debt Manager of DOR or such other person as may be designated from time to time by resolution of the Committee.

DOR means the State of Alaska Department of Revenue, or a successor.

Drinking Water Act means the Federal Safe Drinking Water Act, as amended by the Safe Drinking Water Act Amendments of 1996, 42 U.S.C. 300j *et. seq.*

Drinking Water Bonds means the bonds payable from Drinking Water Revenues which include interest on loan repayments and investment interest and issued under authority of AS 37.15.560-.605 pursuant to authorization of the Committee.

Drinking Water Fund means the separate fund established by AS 46.03.036(a).

Drinking Water Maturity Date means the date of maturity of the Drinking Water Note, which date of maturity shall be specified in the Purchase Contract and shall be no later than December 31, 2016.

Drinking Water Note, as further defined in Section 4(b), means the Alaska Drinking

Water Fund Revenue Bond Anticipation Note, 2016 Series B in the aggregate principal amount of up to \$100,000.

Drinking Water Rate means the per annum interest rate payable on the Drinking Water Note, which interest rate shall be specified in the Purchase Contract.

Drinking Water Project means drinking water system projects, including projects to plan, design, build, construct, or rehabilitate a public drinking water collection, storage, treatment or distribution system.

Drinking Water Revenues means the money on hand in the Drinking Water Fund, including money appropriated by the State Legislature to meet federal matching requirements, federal capitalization grants, loan repayments, interest received from loan repayments and interest received from investment of money in the Drinking Water Fund and the proceeds and accrued interest received from the sale of Drinking Water Bonds issued under AS 37.15.560-.605 and secured by the Drinking Water Fund.

Fiscal Year means the fiscal year of the State, which currently is July through June of each year.

Note Account – Clean Water means the Alaska Clean Water Fund Revenue Bond Anticipation Note Account, created within the Bond Fund – Clean Water for the payment of principal and interest on the Clean Water Note.

Note Account – Drinking Water means the Alaska Drinking Water Fund Revenue Bond Anticipation Note Account, created within the Bond Fund – Drinking Water for the payment of principal and interest on the Drinking Water Note.

Note Register means the books or records maintained by the State containing the name and mailing address of the owner of each Note or nominee of such owner and the principal amount and number of Notes held by each owner or nominee.

Notes means either or both of the Clean Water Note and the Drinking Water Note.

Pledged Clean Water Revenue means Clean Water Revenues consisting of interest received from investment of money in the Clean Water Fund and the interest portion of loan repayments.

Pledged Drinking Water Revenue means Drinking Water Revenues consisting of interest received from investment of money in the Drinking Water Fund and the interest portion of loan repayments.

Purchase Contract means a purchase contract or agreement executed by the Designated Representative and the Bank in connection with the sale and purchase of the Notes as authorized to be executed pursuant to Section 5 hereof.

Regulations means the regulations promulgated by DEC with respect to the Alaska Clean Water and Drinking Water Revolving Loan Funds, under 18 AAC 76, as the same may be

hereafter amended or modified and supplemented from time to time.

Series means all of the Bonds authenticated and delivered on original issuance and identified as being a part of a separate series.

State means the State of Alaska.

Section 2. Authorization of Series of Clean Water Bonds. The State shall issue Clean Water Bonds in Series from time to time to implement the Act. The proceeds of the Clean Water Bonds shall be used for the purposes described in AS 46.03.032(d). The Clean Water Bonds shall be authorized by resolution of the Committee which shall fix the principal amount, denomination, date, maturities, manner of sale, place or places of payment, rights of redemption, if any, terms, form, conditions and covenants of said Clean Water Bonds.

Section 3. Authorization of Series of Drinking Water Bonds. The State shall issue Drinking Water Bonds in Series from time to time to implement the Act. The proceeds of the Drinking Water Bonds shall be used for the purposes described in AS 46.03.036. The Drinking Water Bonds shall be authorized by resolution of the Committee which shall fix the principal amount, denomination, date, maturities, manner of sale, place or places of payment, rights of redemption, if any, terms, form, conditions and covenants of said Drinking Water Bonds.

Section 4. Authorization of Notes.

(a) *Clean Water Note.* In anticipation of the issuance of the Clean Water Bonds authorized by Section 2 hereof, the Committee hereby authorizes the issuance of a revenue bond anticipation note to finance certain Clean Water Projects (the “Clean Water Note”). The Clean Water Note shall be issued in the aggregate principal amount of up to \$100,000 and shall be designated as the Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series A. The Clean Water Note shall be dated as of the date of its issuance and delivery; shall be fully registered as to both principal and interest, shall be in the denomination of up to \$100,000, shall be numbered N-1, and shall bear interest on unpaid principal from its date at a rate equal to the Clean Water Rate and shall mature on the Clean Water Maturity Date.

(b) *Drinking Water Note.* In anticipation of the issuance of the Drinking Water Bonds authorized by Section 3 hereof, the Committee hereby authorizes the issuance of a revenue bond anticipation note to finance certain Drinking Water Projects (the “Drinking Water Note”). The Drinking Water Note shall be issued in the aggregate principal amount of up to \$100,000 and shall be designated as the Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series B. The Drinking Water Note shall be dated as of the date of its issuance and delivery; shall be fully registered as to both principal and interest, shall be in the denomination of up to \$100,000, shall be numbered N-1, and shall bear interest on unpaid principal from its date at a rate equal to the Drinking Water Rate, payable at maturity and shall mature on the Drinking Water Maturity Date.

(c) *Place and Medium of Payment.* The principal of and interest on the Notes shall be payable in lawful money of the United States of America. Interest on the Notes shall be calculated on the basis of a 365-day year and actual days elapsed. Upon presentation and surrender of the Clean Water Note, principal and interest shall be transferred from the Note Account – Clean Water to the Bank on the date when due. Upon presentation and surrender of the Drinking Water Note, principal and interest shall be transferred from the Note Account – Drinking Water to the Bank on the date when due. Interest and principal of the Notes shall, upon request of the Bank, be payable by wire transfer to the account of the Bank on the date due (upon confirmation that the Notes shall have been presented to the Designated Representative for payment).

Section 5. Designated Representative. The Committee hereby designates the Debt Manager of the Department of Revenue to act on its behalf as the “Designated Representative” and to exercise the authority granted to the Designated Representative hereunder.

The Committee has determined that it may be inconvenient to meet before the proposed time on which money may be required from the sale of the Notes. Accordingly, the Designated Representative is hereby authorized to prepare a solicitation for proposals to be circulated to local, Alaska banks for the purchase of the Notes and to review and negotiate terms for the purchase of the Notes consistent with the terms of this section. The Committee has determined that it would be in the best interest of the Committee to delegate to the Designated Representative for a limited time the authority to approve the final interest costs and maturity dates for the Notes and other terms and conditions of the Notes. The Designated Representative is hereby authorized to approve the final interest costs (to be expressed as an interest rate for each Note) and maturity dates of Notes and the total of all other costs to be incurred in connection with the financing in the manner provided hereafter.

If the Designated Representative elects to prepare a solicitation and in preparing the solicitation for proposals, evaluating the responses, negotiating a Purchase Contract and determining the final interest rates, maturity dates and total costs of issuance for the Notes, the Designated Representative, in consultation with the Deputy Commissioner of the Department of Revenue and the State’s financial advisor, shall take into account those factors that, in his judgment, will result in the lowest true interest cost on the Notes to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Notes. The date of issuance and final maturity date shall occur no later than December 31, 2016, and the total costs of the Notes, including total interest payable on the Notes, shall not exceed \$10,000. Subject to the terms and conditions set forth in this Section 5, the Designated Representative is authorized to reject any proposal received (including all proposals) and to re-advertise and accept the proposal deemed most responsive and cost effective. The Designated Representative is hereby authorized to execute the final form of the Purchase Contract. Following the execution of the Purchase Contract, the Debt Manager shall provide a report to the Committee, describing the final terms of the Notes approved pursuant to the authority delegated in this section. The authority granted to the Debt Manager by this Section 5 shall expire 90 days after the date of adoption and approval of this resolution. If the Purchase Contract for the Notes has not been executed within 90 days after the date of adoption and final approval of this resolution, the authorization for the issuance of the Notes shall be rescinded, and such Notes shall not be issued nor their sale approved unless such Notes

shall have been re-authorized by resolution of the Committee. The resolution re-authorizing the issuance and sale of such Notes may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the Notes not issued) or may be in the form of an amendatory resolution approving a purchase contract or establishing terms and conditions for the authority delegated under this Section 5.

The Designated Representative and the State's financial advisor are hereby authorized to review and approve on behalf of the Committee a request for qualifications/proposal to be distributed to eligible banking institutions relative to the Notes with such additions and changes as may be deemed necessary or advisable to them. The proper State officials are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Notes to the Bank and for the proper application and use of the proceeds of sale thereof.

The Designated Representative is hereby designated as the registrar and authenticating agent for the Notes. The Designated Representative is hereby further authorized to contract with and arrange for the printing and delivery of the Notes.

Section 6. Sale of Notes. The Notes shall be sold to the Bank in accordance with its proposal for the purchase of the Notes and the Purchase Contract, as authorized to be delivered under Section 5 of this resolution. The Designated Representative is hereby authorized and directed to do all things necessary for the prompt delivery of the Notes to the Bank.

Section 7. Form of Notes.

(a) *Clean Water Note.* The Clean Water Note shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. 1 \$ _____

STATE OF ALASKA
ALASKA CLEAN WATER REVENUE BOND ANTICIPATION NOTE,
2016 SERIES A

INTEREST RATE: ____% MATURITY DATE: _____, 2016

DATED DATE: _____, 2016

REGISTERED OWNER: _____

TAX ID NUMBER: _____

PRINCIPAL AMOUNT: _____

The State of Alaska (the "State") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or its registered assigns, but solely from the Note Account – Clean Water (hereinafter defined) on the Maturity Date identified above, the Principal Amount indicated above together with interest thereon from the Dated Date payable on the Maturity Date. Such Principal Amount, together with accrued interest, shall be paid only upon presentation and surrender of this note at the office of the Debt Manager of the State of Alaska, as registrar and authenticating agent (the "Registrar"). Both

principal of and interest on this note are payable in lawful money of the United States of America solely out of the Note Account – Clean Water (the “Note Account – Clean Water”) created within the special fund of the State known as the “Alaska Clean Water Fund Revenue Bond Redemption Fund” (the “Bond Fund –Clean Water”) established pursuant to AS 37.15.565 and in accordance with the terms of Resolution No. 2016-04 (the “Resolution”) of the State Bond Committee (the “Committee”). The definitions contained in the Resolution shall apply to capitalized terms contained herein.

This note is issued pursuant to the Constitution and statutes of the State of Alaska and duly adopted resolutions of the Committee in anticipation of the issuance of clean water fund revenue bonds for the purpose of implementing the Alaska Clean Water Fund Loan Program for the State and its municipalities. This note is payable solely from the Note Account – Clean Water, into which shall be deposited Clean Water Revenues consisting of interest earnings on Clean Water Revenues in the Clean Water Fund and the interest portion of loan repayments (collectively, “Pledged Clean Water Revenue”) deposited in the Clean Water Fund and/or the proceeds of Clean Water Bonds or of refunding bond anticipation notes on or prior to the maturity of this note.

THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE STATE OF ALASKA OR ANY OF ITS DEPARTMENTS, OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF ALASKA OR OF ANY SUCH DEPARTMENT, BUT SHALL BE PAYABLE SOLELY FROM THE NOTE ACCOUNT – CLEAN WATER WITHIN THE BOND FUND – CLEAN WATER AND FROM THE CLEAN WATER REVENUES. THE STATE OF ALASKA SHALL NOT BE OBLIGATED TO PAY THE SAME NOR INTEREST THEREON EXCEPT FROM SUCH PAYMENTS AND PROCEEDS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR OF ANY DEPARTMENT THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS NOTE.

The interest on this note is not exempt from federal income taxation. The interest on this note is includible in federal gross income.

This note shall not be validly issued until duly authenticated by the manual signature of the Registrar in the Certificate of Authentication below.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska, and resolutions of the State to be done precedent to and in the issuance of this note have happened, been done and performed.

IN WITNESS WHEREOF, the State of Alaska has caused this note to be executed with the facsimile signature of the Governor of the State of Alaska and to be countersigned by the Lieutenant Governor, this ____ day of _____, 2016.

STATE OF ALASKA

By _____
Governor

Countersigned:

Lieutenant Governor

The Certificate of Authentication on the Clean Water Note shall be in substantially the following form:

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This note is the note described in the within-mentioned Resolution and is the Alaska Clean Water Fund Revenue Bond Anticipation Note, 2016 Series A of the State of Alaska, dated _____, 2016.

STATE OF ALASKA

DEPARTMENT OF REVENUE

By _____
Debt Manager

(b) *Drinking Water Note.* The Drinking Water Note shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. 1 \$ _____

STATE OF ALASKA
ALASKA DRINKING WATER REVENUE BOND ANTICIPATION NOTE,
2016 SERIES B

INTEREST RATE: _____% MATURITY DATE: _____, 2016

DATED DATE: _____, 2016

REGISTERED OWNER: _____

TAX ID NUMBER: _____

PRINCIPAL AMOUNT: _____

The State of Alaska (the “State”) hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or its registered assigns, but solely from the Note Account – Drinking Water (hereinafter defined) on the Maturity Date identified above, the Principal Amount indicated above together with interest thereon from the Dated Date payable on the Maturity Date. Such Principal Amount, together with accrued interest, shall be paid only upon presentation and surrender of this note at the office of the Debt Manager of the State of Alaska, as registrar and authenticating agent (the “Registrar”). Both principal of and interest on this note are payable in lawful money of the United States of America solely out of the Note Account – Drinking Water (the “Note Account – Drinking Water”) created within the special fund of the State known as the “Alaska Drinking Water Fund Revenue Bond Redemption Fund” (the “Bond Fund – Drinking Water”) established pursuant to AS 37.15.565” and in accordance with the terms of Resolution No. 2016-04 (the “Resolution”) of the State Bond Committee (the “Committee”). The definitions contained in the Resolution shall apply to capitalized terms contained herein.

This note is issued pursuant to the Constitution and statutes of the State of Alaska and duly adopted resolutions of the Committee in anticipation of the issuance of drinking water fund revenue bonds for the purpose of implementing the Alaska Drinking Water Fund Loan Program for the State and its municipalities. This note is payable solely from the Note Account – Drinking Water, into which shall be deposited Drinking Water Revenues constituting interest received from investment of money in the Drinking Water Fund and the interest portion of loan repayments (collectively, “Pledged Drinking Water Revenue”) and/or the proceeds of Drinking Water Bonds or of refunding bond anticipation notes on or prior to the maturity of this note.

THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE STATE OF ALASKA OR ANY OF ITS DEPARTMENTS, OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF ALASKA OR OF ANY SUCH DEPARTMENT, BUT SHALL BE PAYABLE SOLELY FROM THE NOTE ACCOUNT – DRINKING WATER WITHIN THE BOND FUND – DRINKING WATER AND FROM THE DRINKING WATER REVENUES. THE STATE OF ALASKA SHALL NOT BE OBLIGATED TO PAY THE SAME NOR INTEREST THEREON EXCEPT FROM SUCH PAYMENTS AND PROCEEDS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR OF ANY DEPARTMENT THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS NOTE.

The interest on this note is not exempt from federal income taxation. The interest on this note is includible in federal gross income.

This note shall not be validly issued until duly authenticated by the manual signature of the Registrar in the Certificate of Authentication below.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska, and resolutions of the State to be done precedent to and in the issuance of this note have happened, been done and performed.

IN WITNESS WHEREOF, the State of Alaska has caused this note to be executed with the facsimile signature of the Governor of the State of Alaska and to be countersigned by the Lieutenant Governor, this ____ day of _____, 2016.

STATE OF ALASKA

By _____
Governor

Countersigned:

Lieutenant Governor

The Certificate of Authentication on the Drinking Water Note shall be in substantially the following form:

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This note is the note described in the within-mentioned Resolution and is the Alaska Drinking Water Fund Revenue Bond Anticipation Note, 2016 Series B of the State of Alaska, dated _____, 2016.

STATE OF ALASKA

DEPARTMENT OF REVENUE

By _____
Debt Manager

Section 8. Execution and Delivery of Notes. The Notes shall be executed with the facsimile signature of the Governor and countersigned by facsimile signature of the Lieutenant Governor. The Designated Representative is hereby authorized and directed to authenticate and thereafter to deliver the Notes to the Bank.

Section 9. Disbursement of Note Proceeds.

(a) Alaska Clean Water Fund. The Alaska Clean Water Fund has been established as a State fund by AS 46.03.032. The net proceeds of the Clean Water Note shall be deposited in the Clean Water Fund and shall be disbursed as directed by legislative appropriation to pay costs of Clean Water Projects and for such additional purposes as provided in AS 46.03.032, including but not limited to the provision of state matching funds. Costs of issuance for the Clean Water Note shall be paid from gross proceeds of the Clean Water Note and shall be paid on the date of issuance of the Clean Water Note.

(b) Alaska Drinking Water Fund. The Alaska Drinking Water Fund has been established as a State fund by AS 46.03.036. The net proceeds of the Drinking Water Note shall be deposited in the Drinking Water Fund and shall be disbursed as directed by legislative appropriation to pay costs of Drinking Water Projects and for such additional purposes as provided in AS 46.03.036, including but not limited to the provision of state matching funds. Costs of issuance for the Drinking Water Note shall be paid from gross proceeds of the Drinking Water Note and shall be paid on the date of issuance of the Drinking Water Note.

Section 10. Repayment of Notes.

(a) Note Account – Clean Water. The Bond Fund – Clean Water has been established as a State fund within the State by AS 37.15.565. There is authorized to be created within the Bond Fund – Clean Water an account to be named the “Note Account – Clean Water.” The Note Account – Clean Water shall be a trust fund used for paying and securing the payment of principal of and interest on the Clean Water Note.

On or prior to the date the Clean Water Note becomes due and payable, and in the event that money is not otherwise on hand in the Note Account – Clean Water, the State shall cause to be deposited in the Revenue Account – Clean Water, sufficient Pledged Clean Water Revenue to pay and redeem the Clean Water Note.

On or before the date on which the Clean Water Note matures, the Designated Representative shall cause to be deposited Pledged Clean Water Revenue in the Note Account – Clean Water or the Committee shall cause Clean Water Bonds to be issued or issue a refunding bond anticipation note to provide amounts sufficient to pay and redeem the Clean Water Note. The Designated Representative is hereby authorized to transfer Pledged Clean Water Revenue from the Revenue Account – Clean Water to the Note Account – Clean Water amounts sufficient to pay and redeem the Clean Water Note when due.

The Clean Water Note shall be an obligation only of the Note Account – Clean Water created and maintained within the Bond Fund – Clean Water and shall not constitute a general obligation of the State. When principal of and interest of the Clean Water Note has been paid in full, any remaining amount in the Note Account – Clean Water shall become part of the entire Bond Fund – Clean Water, and the Note Account – Clean Water shall be closed.

(b) Note Account – Drinking Water. The Bond Fund – Drinking Water has been established as a State fund within the State by AS 37.15.565. There is authorized to be created within the Bond Fund – Drinking Water an account to be named the “Note Account – Drinking Water.” The Note Account – Drinking Water shall be a trust fund used for paying and securing the payment of principal of and interest on the Drinking Water Note.

On or prior to the date the Drinking Water Note becomes due and payable, and in the event that money is not otherwise on hand in the Note Account – Drinking Water, the State shall cause to be deposited in the Revenue Account – Drinking Water, sufficient Pledged Drinking Water Revenue to pay and redeem the Drinking Water Note.

On or before the date on which the Drinking Water Note matures, the Designated Representative shall cause to be deposited Pledged Drinking Water Revenue in the Note Account – Drinking Water or the Committee shall cause Drinking Water Bonds to be issued or issue a refunding bond anticipation note to provide amounts sufficient to pay and redeem the Drinking Water Note. The Designated Representative is hereby authorized to transfer Pledged Drinking Water Revenue from the Revenue Account – Drinking Water to the Note Account – Drinking Water amounts sufficient to pay and redeem the Drinking Water Note when due.

The Drinking Water Note shall be an obligation only of the Note Account – Drinking Water created and maintained within the Bond Fund – Drinking Water and shall not constitute a general obligation of the State.

When principal of and interest of the Drinking Water Note has been paid in full, any remaining amount in the Note Account – Drinking Water shall become part of the entire Bond Fund – Drinking Water, and the Note Account – Drinking Water shall be closed.

Section 11. Further Documents and Certificates. The Chair, Secretary and Designated Representative, as may be appropriate, are authorized and directed to execute any and all

documents and do any and all things determined necessary to effect the accomplishment of the issuance, placement and delivery of the Notes and to deliver the necessary documents to the proper parties as requested to carry out the intended purposes of this resolution.

Section 12. Limitations on Liability. Nothing contained in this resolution nor in the Notes, nor any other instrument, shall be construed with respect to the State as incurring a charge upon the general credit of the State or against the taxing power of the State, nor shall the breach of any agreement contained in this resolution, the Notes or any other instrument or document executed in connection therewith impose any charge upon the general credit of the State or the taxing power of the State.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska, the 5th day of January, 2016.

STATE OF ALASKA
STATE BOND COMMITTEE

Chris Hladick
Commissioner, Department of Commerce
Community and Economic Development
Chair and Member
Alaska State Bond Committee

Sheldon Fisher
Commissioner, Department of Administration
Member
Alaska State Bond Committee

Randall Hoffbeck
Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of the State of Alaska (herein called the "Committee") DO HEREBY CERTIFY:

1. That the attached Resolution numbered 2016-04 (herein called the "Resolution") is a true and correct copy of a resolution of the Committee as adopted at a meeting held on January 5, 2016, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of January, 2016.

Secretary

STATE BOND COMMITTEE
OF THE STATE OF ALASKA

Declaration of Official Intent to Reimburse Expenditures

Resolution No. 2016-05

A resolution of the State Bond Committee of the State of Alaska declaring official intent on behalf of the State to reimburse expenditures incurred by or on behalf of the State in connection with the Alaska liquefied natural gas project.

ADOPTED ON JANUARY 5, 2016

RESOLUTION NO. 2016-05

A resolution of the State Bond Committee of the State of Alaska declaring official intent on behalf of the State to reimburse expenditures incurred by or on behalf of the State in connection with the Alaska liquefied natural gas project.

WHEREAS, on November 5, 2015, the Alaska State Legislature (the “Legislature”) of the State of Alaska (the “State”) enacted Senate Bill 3001, Chapter 1 TSSLA 15 (the “Act”) appropriating funds (i) to pay, or to enable the Alaska Gasline Development Corporation (the “AGDC”) to pay, costs of acquiring from TransCanada Alaska Midstream Holdings Inc. (“TC Holdings”) all of TC Holdings’ outstanding general and limited partnership interests in TransCanada Alaska Midstream Limited Partnership (“TC Midstream”) and thus all of TC Midstream’s interest in the Alaska liquefied natural gas project (the “AKLNG Project”); (ii) to pay, or to enable the AGDC to pay, the State’s share of preliminary front-end engineering and design work of the AKLNG Project; and (iii) to pay costs incurred or to be incurred by the State, including by the Department of Law, the Department of Revenue and the Department of Natural Resources, in connection with the AKLNG Project;

WHEREAS, on November 24, 2015 pursuant to a Purchase and Sale Agreement of Limited Partnership Interests, the State and AGDC agreed that AGDC will reimburse TC Midstream for its share of costs of developing the AKLNG Project and will acquire all of TC Holdings’ interests;

WHEREAS, on December 1, 2015 AGDC acquired all of TC Holdings’ interests in TC Midstream, and thus all of TC Midstream’s interests in the AKLNG Project;

WHEREAS, on December 3, 2015, AGDC approved the Work Program and Budget for the AKLNG Project for fiscal years 2016 and 2017;

WHEREAS, the State expects to issue or to authorize the issuance of bonds (the “Bonds”) to provide funds for and/or to reimburse the State directly or through AGDC for the costs of costs of acquiring and developing the AKLNG Project;

WHEREAS, the Internal Revenue Service has published regulations (the “Regulations”) that prohibit the State from issuing federally tax-exempt Bonds to reimburse expenditures previously made by the State unless the requirements of the Regulations are met;

WHEREAS, one of the requirements of the Regulations for the issuance of Bonds to reimburse an expenditure previously made is that a declaration of official intent to reimburse the expenditure with the proceeds of the Bonds be made on or before (or not more than 60 days after) the date on which the expenditure is made;

WHEREAS, the Regulations authorize the State to designate a person or persons to declare official intent on behalf of the State to reimburse expenditures with the proceeds of the Bonds;

WHEREAS, the State Bond Committee of the State is authorized to declare official intent on behalf of the State for purposes of the Regulations.

NOW THEREFORE, BE IT RESOLVED BY THE STATE BOND COMMITTEE OF THE STATE OF ALASKA:

- Section 1. The State reasonably expects to reimburse the expenditures described herein with the proceeds of debt (the "Obligations").
- Section 2. The maximum principal amount of Obligations expected to be issued is \$16,250,000,000.
- Section 3. The expenditures, with respect to which the State reasonably expects to be reimbursed from the proceeds of the Obligations, will be incurred to provide funding of capital expenditures relating to the AKLNG Project.
- Section 4. This resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED by the State Bond Committee of the State of Alaska this 5th day of January, 2016

STATE OF ALASKA
STATE BOND COMMITTEE

Chris Hladick
Commissioner, Department of Commerce Community
and Economic Development
Chair and Member
Alaska State Bond Committee

Sheldon Fisher
Commissioner, Department of Administration
Member
Alaska State Bond Committee

Randall Hoffbeck
Commissioner, Department of Revenue
Secretary and Member
Alaska State Bond Committee

Approved as to form:

Alaska Department of Law
State of Alaska

CERTIFICATE

I, the undersigned, Secretary of the State Bond Committee of State of Alaska (the “State”), and keeper of the records of the State Bond Committee (the “Committee”), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2016-05 of the Committee (the “Resolution”), duly passed at a meeting thereof held on January 5, 2016.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Committee voted in the proper manner for the passage of said Resolution; that all other requirements and proceedings incident to the proper passage of said Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of January, 2016.

Secretary

MEMORANDUM

STATE OF ALASKA
Department of Revenue

TO: State Bond Committee

DATE: December 30, 2015

FROM: Deven Mitchell
Debt Manager
Treasury Division

TELEPHONE: 465-3750

SUBJECT: Report

Rating Agency update – Based on a request from Gabe Petek of Standard and Poor's a teleconference was set up with Pat Pitney, Randy Hoffbeck, Jerry Burnett, myself and S&P staff to discuss the State's budget projections, reserve positions, and Governor's Fiscal Plan. The meeting took place on December 22.

Knik Arm Crossing – I have been working with KAC staff to obtain indicative ratings for the TIFIA loan process. In consultation with KAC I have signed Letters of Engagement with both Standard and Poor's and DBRS for rating work.

Pension Obligation Bonds – the POB team continues to work on the potential issuance of bonds to fund a portion of the PERS and/or TRS unfunded liabilities. The Governor included the use of POBs in his budget proposal.

Anchorage Legislative Information Office – I have participated in two Legislative Counsel meetings where the Anchorage LIO's future was contemplated. The issue is whether to continue paying on the existing lease for the Anchorage LIO, buy the Anchorage LIO with cash or debt, or move into space that will be made available in the Atwood Building. At the request of Representative Johnson's staff I prepared a cash flow analysis that was provide to the Committee.