

2014-2015 RFQ Questions & Answers

Request for Qualifications (“RFQ”) to serve as **Bond Counsel** for Kentucky state debt issuing entities for Fiscal Year 2014 and Fiscal Year 2015

None at this time.

Request for Qualifications (“RFQ”) to serve as **Senior Managing Underwriter, Financial Advisor, Swap Advisor and/or Local Co-Managing Underwriter** for Kentucky state debt issuing entities for Fiscal Year 2014 and Fiscal Year 2015

1. Would you please clarify, for co-managers, you only want Kentucky-based firms?

ANSWER: National Co-Managers are selected pursuant to 200 KAR 21:040 and any firm wishing to be considered as a national co-manager must be pre-qualified as senior managing underwriter for that particular state issuer. From that pre-qualified list, the Executive Director of OFM will determine which and how many national co-managers, if any, are included in a transaction on a case by case basis. If the firm wants to be prequalified as a Kentucky Local Co-Managing Underwriter, then they need to address #1 through #6 in Section J of the RFQ.

2. Are there any public documents that summarize the Commonwealth’s current swap portfolio across all state debt issuing entities and/or of its plans/intentions for future swap transactions?

ANSWER:

The only swaps we have outstanding are the ALCo 2007 Floating Rate Notes which are displayed in Appendix A of the ALCo semi-annual report. The office is not aware of any plans for future swap transactions.

See Page 23 of the current ALCo Semi-Annual Report:

<http://finance.ky.gov/services/ofm/Documents/ALCo/ALCo%20Reports/6-30-12%20Report-FINAL.pdf>

3. XXX is a minority owned firm who currently does not have any staff that resides in the Commonwealth, but we are very interested in growing our business there. As a testimony of that willingness to invest, we have been involved with over 40 competitive transactions in the state in 2012. Based on the strict way I interpret the qualifications for Kentucky Local Co-manager, we do not qualify. My question is this. Am I correct that XXX would not be considered as a co-manager? Additionally, if that is the case, then is there any way for us to present our qualifications with the knowledge that we would establish an office in Kentucky in 2013 given a successful appointment to the pool of co-managers?

ANSWER: Thank you for your question and interest in the Commonwealth. Per 200 KAR.010 it does emphasize an existing presence in the Commonwealth. Here is a link to the 200 KAR 21:010,

<http://www.lrc.ky.gov/kar/200/021/010.htm>

4. Could you please provide a little more information regarding questions (6) under section II or the RFQ? As a swap advisor located out of state, what legal requirements do we have to register with the Commonwealth?

ANSWER:

A firm does not need to be registered as a swap advisor with the Commonwealth if they are an out-of-state firm.

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5. Does applying to serve in a Local Co-Manager role prevent or reduce a firm's possibility of serving as a Senior-Manager or National Co-Manager?

ANSWER:

Applying to serve as a Local Co-Manager role does not prevent or reduce a firm's possibility of serving as Senior Manager or National Co-Manager.