

OHIO TURNPIKE COMMISSION
682 Prospect Street
Berea, Ohio 44017

ADDENDUM NO. 2

**REQUEST FOR PROPOSALS
TO SERVE AS FINANCIAL ADVISOR
TO THE OHIO TURNPIKE COMMISSION**

RFP Issue Date: January 30, 2013


Inquiry End Date: 5:00 p.m. (E.S.T.), February 19, 2013

**Proposals from Selected Firms to be received no later than
2:00 p.m. (E.S.T.), February 26, 2013**


ATTENTION OF RESPONDENTS IS DIRECTED TO:

**QUESTIONS AND ANSWERS THROUGH THE END OF THE INQUIRY PERIOD,
FEBRUARY 19, 2013**

Issued by the Ohio Turnpike Commission February 20, 2013 Issuance authorized by Robin Carlin, Deputy Executive Director and Kathleen Weiss, General Counsel.



Robin Carlin
Date 2/20/13



Kathleen Weiss
Date 2/20/13

**QUESTIONS AND ANSWERS THROUGH
THE END OF THE INQUIRY PERIOD, FEBRUARY 19, 2013:**

- Q#1 In analyzing and preparing our response, it would be helpful to obtain the following information and clarifications:**
- a) Investment policy and last quarterly investment report;**
 - b) PB traffic and revenue study referred in the KPMG Dec 2012 report; and**
 - c) Schedules related to the capital improvement program.**

A#1 The investment policy, investment report, and the 2013 Capital Budget are provided with this Addendum No. 2. If necessary, the Commission will make any studies and schedules in its possession available to the Selected Firm after the execution of the Agreement for Financial Advisory Services

- Q#2 The following statement appears in the Request for Proposal: "Please state the Responding Firm's ranking in senior managed public finance (short and long-term combined) within the State of Ohio utilizing the database of either IDD Information Services/PSA Database or Securities Data Co./Bond Buyer for the years 2009, 2010, 2011 and 2012." Please clarify whether the Commission requesting rankings for "financial advisor" or "senior managed public finance".**

Q#2 The Commission prefers that Responding Firms submit their ranking in senior managed public finance, but the financial advisor ranking is acceptable if the Firm does not have a senior managed public finance ranking.

- Q#3 Question 12 required a signing agent to provide "satisfactory evidence" of his or her authority to sign on behalf of the firm. What do we need to provide as evidence? Would a copy of the firm's corporate resolution suffice?**

A#3 Yes, a corporate resolution appointing the agent with the authority to execute an agreement is sufficient

- Q#4 Can you provide the most recent versions of the following materials:**
- a) Commission Capital Improvement Plan**
 - b) Traffic Study completed with respect to Turnpike**
 - c) OTC's Investment policy.**

A#4 See the response to Q#1 in this Addendum No. 2.

Receipt of Addendum No. 2 to the Request for Proposals to Serve as Financial Advisor is hereby acknowledged:

(Firm Name)

(Signature)

(Typed Name)

Date: _____

OHIO TURNPIKE COMMISSION
2013 SYSTEM PROJECTS BUDGET

Estimated Beginning Balance January 1, 2013	\$ 2,246,700
Transfers from 2013 Operating Funds	94,751,800
Total 2013 Available Funds	<u>\$ 96,998,500</u>

	Future Year Expenditure	2013 Expenditure	2013 Totals
2013 Expenditures:			
Continuing Expenditures from 2012:			
39 Full Depth Rplc		\$ 181,800	
43 Misc. Bridge (14) Rehabilitations, Williams County		\$ 2,100,000	
53 Reconstruction of MV/GH SP, Mahoning County		\$ 2,000,000	
64 Four ATPM's (TP's 52, 91, 152, 193)		\$ 750,000	
71 Other		\$ 420,467	
77 Third Lane 178 0 - 185.0		<u>\$ 100,000</u>	
Total Continuing Expenditures from 2012			\$ 5,552,267
New 2013 Projects:			
39 Pavement Replacement			
A MP 95.9 to MP 90.0 WB, Sandusky County		\$ 19,200,000	
B MP 164.8 to MP 170.1 EB, Cuyahoga County		\$ 13,600,000	
C MP 95.9 to MP 90.0 EB, Sandusky County	\$ 14,700,000	\$ 500,000	
D MP 164.8 to MP 160.0 WB, Cuyahoga County	\$ 13,100,000	<u>\$ 500,000</u>	
Total			\$ 33,800,000
43 Bridge Repair and Resurfacing			
A Bridge Deck Overlay TP 161 & TP 173		\$ 750,000	
B Misc Structure Rehabilitation, Williams and Fulton County		\$ 2,500,000	
C Bridge Repairs - Oberlin Rd /West Ridge Road, Lorain County		\$ 500,000	
Total			<u>\$ 3,750,000</u>
59 Resurfacing Pavement			
A MP 27.5 to MP 38.9		\$ 12,000,000	
B MP 127.2 to MP 132.0		\$ 2,700,000	
C MP 176.3 to MP 186.6		\$ 9,400,000	
D MP 230.6 to MP 236.2		\$ 3,700,000	
Total			<u>\$ 27,800,000</u>
70 Correction of Slope Failures			
A Sandusky County Slope Failures (Fangboner, Shiets, Gibbs)		\$ 3,500,000	
Total			<u>\$ 3,500,000</u>
71 Engineering Consulting Services			
Design & Consulting Services			\$ 2,500,000
77 Third Lane Construction			
MP 64.14 to MP 59.2, Lucas County	\$ 30,000,000	\$ 15,000,000	\$ 15,000,000
Total 2013 Expenditures on New Projects			<u>\$ 86,350,000</u>
Total 2013 Expenditures			<u>\$ 91,902,267</u>
Uncommitted Funds			5,096,233
Total 2013 Expenditures and Uncommitted Funds			<u>\$ 96,998,500</u>

OHIO TURNPIKE COMMISSION
2013 SYSTEM PROJECTS BUDGET

Estimated Beginning Balance January 1, 2013	\$ 2,246,700
Transfers from 2013 Operating Funds:	94,751,800
Total 2013 Available Funds	<u>\$ 96,998,500</u>
2013 Expenditures:	
Continuing Expenditures from 2012	\$ 5,552,267
New 2013 Projects:	
39 Pavement Repair & Replacement	33,800,000
43 Bridge Repair and Resurfacing	3,750,000
53 Service Plazas	-
58 Toll Plazas	-
59 Resurfacing Pavement	27,800,000
70 Correction of Slope Failures	3,500,000
71 Engineering Consulting Services	2,500,000
77 Third Lane Construction	\$ 15,000,000
Total 2013 Expenditures on New Projects	<u>\$ 86,350,000</u>
Total 2013 Expenditures	<u>\$ 91,902,267</u>
Uncommitted Funds	5,096,233
Total 2013 Expenditures and Uncommitted Funds	<u><u>\$ 96,998,500</u></u>

OHIO TURNPIKE COMMISSION
2013 RENEWAL AND REPLACEMENT BUDGET

Estimated Beginning Balance January 1, 2013	\$ 4,547,900
Transfers from 2013 Operating Funds	4,800,000
Total 2013 Available Funds	<u>\$ 9,347,900</u>

	2013 Totals
2013 Expenditures:	
Continuing Expenditures from 2012:	
8 Single Axle Dump Trucks w/ Snow and Ice Control Equipment	1,216,000
Dispatch Console System Upgrades	135,000
Replace Voicemail Server	75,000
Rehabilitation of Exterior Building Surfaces	85,000
HVAC Replacements, MB 4 & MB 6	120,000
Maintenance Building Energy Conservation, MB 4 & MB 5	15,000
Other Miscellaneous Projects	<u>86,000</u>
Total Continuing Expenditures from 2012	\$ 1,732,000
New 2013 Projects:	
24 Guardrail – Additions & Replacement Replacement of Deteriorated Guardrail	\$ 175,000
31 Maintenance Equipment See Attached Exhibit "A"	415,000
32 Maintenance Vehicles See Attached Exhibit "A"	583,000
38 Communications Equipment – New or Replacement	
B Replacement of Telecom Systems Battery Power Supply	50,000
C Miscellaneous Communications Equipment	<u>25,000</u>
Total	75,000
39 Pavement Repair & Replacement Full Depth Pavement Repair	500,000
41 Resealing Asphalt Surfaces Sealing Paved Areas Located at LCV Lots , Access Roads,and Maintenance Buildings	130,000
43 Bridge Repair & Resurfacing Miscellaneous Structure Repairs	250,000
48 Administration Building Renovation of South Wing (Lights, Ceilings, UPS Power)	100,000
53 Service Plazas Replacement of UST Lines SP4	1,000,000

OHIO TURNPIKE COMMISSION
2013 RENEWAL AND REPLACEMENT BUDGET

56	Maintenance Buildings		
	A	Metal Building Upgrade (MB3 & MB7)	\$ 250,000
	B	Energy Optimization & Conservation (2 MB's)	\$ 90,000
		Total	<u>340,000</u>
58	Toll Plazas		
	A	HVAC Control Interface (2 TP's)	\$ 40,000
	B	Energy Optimization & Conservation	\$ 20,000
		Total	<u>60,000</u>
59	Resurfacing Pavement		
		Maintenance Yard Resurfacing, MB2	400,000
61	Landscaping		
		Right-of-Way Landscaping	100,000
66	Concrete Barriers		
	A	Reseal Median Wall	\$ 150,000
	B	Upgrade 3rd Lane Crossovers	\$ 150,000
		Total	<u>300,000</u>
67	Computer Equipment		
	A	OSHP MCT Units	\$ 350,000
	B	New & Replacement Equipment	\$ 200,000
	C	New Software Systems Upgrades	150,000
		Total	<u>700,000</u>
68	Right-of-Way Fence		
		Replacement of Right-of-Way Fence	200,000
69	Drainage		
		Culvert Cleaning & Repair	200,000
73	Automotive Equipment – Replacement		<u>100,000</u>
	Total 2013 Expenditures on New Projects		\$ 5,628,000
	Total 2013 Expenditures		<u>\$ 7,360,000</u>
	Uncommitted Funds		1,987,900
	Total 2013 Expenditures and Uncommitted Funds		<u><u>\$ 9,347,900</u></u>

OHIO TURNPIKE COMMISSION
2013 RENEWAL AND REPLACEMENT BUDGET

Estimated Beginning Balance January 1, 2013	\$ 4,547,900
Transfers from 2013 Operating Funds	4,800,000
Total 2013 Available Funds	<u>\$ 9,347,900</u>
2013 Expenditures:	
Continuing Expenditures from 2012:	\$ 1,732,000
New 2013 Projects:	
24 Guardrail – Additions & Replacement	\$ 175,000
31 Maintenance Equipment	415,000
32 Maintenance Vehicles	583,000
38 Communications Equipment – New or Replacement	75,000
39 Pavement Repair & Replacement	500,000
41 Resealing Asphalt Surfaces	130,000
43 Bridge Repair & Resurfacing	250,000
48 Administration Building	100,000
53 Service Plazas	1,000,000
56 Maintenance Buildings	340,000
58 Toll Plazas	60,000
59 Resurfacing Pavement	400,000
61 Landscaping	100,000
66 Concrete Barrier	300,000
67 Computer Equipment	700,000
68 Right-of-Way Fence	200,000
69 Drainage	200,000
73 Automotive Equipment – Replacement	100,000
Total 2013 Expenditures on New Projects	<u>\$ 5,628,000</u>
Total 2013 Expenditures	<u>\$ 7,360,000</u>
Uncommitted Funds	1,987,900
Total 2013 Expenditures and Uncommitted Funds	<u><u>\$ 9,347,900</u></u>

OHIO TURNPIKE COMMISSION
2013 CAPITAL BUDGET
EXHIBIT "A"

31	Replacement of Maintenance Equipment	
	<u>Miscellaneous Maintenance Equipment</u>	\$ 125,000.00
	Purchase of miscellaneous new/replacement equipment (less than \$10,000)	
	<u>2 Each, Fork Lift</u>	\$ 110,000.00
	Replacement of 2 each 1994 model units (C-00054, C-00055)	
	<u>2 Each Scissor Lifts</u>	\$ 40,000.00
	<u>20 Each Cab Heaters</u>	\$ 40,000.00
	Idle reduction units for four (4) 2013 Western Star plow trucks and sixteen (16) plow trucks (model TBD) Note: Will apply for DERG funding - 100%	
	<u>4 Each Backhoe / Loader</u>	\$ 100,000.00
	Replacement of 4 each 1996 model units (C-00100, C-00101, C-00102, C-00103)	
	Note: Will ONLY purchase if awarded DERG funding. The amount budgeted represents the OTC's 30% match.	
	Total	<u>\$ 415,000</u>
32	Replacement of Maintenance Vehicles	
	<u>8 Each Pickup w/ Utility Cap</u>	\$ 185,000.00
	Replacement of 8 each, 2002 model units (ATT-00446 thru ATT-00453)	
	<u>8 Each Extended Cab Pickup</u>	\$ 180,000.00
	Replacement of 8 each high mileage 2008 model units (ATT-00596 thru ATT-00603)	
	<u>2 Each, HD-Pickup w/ Aerial Bucket and Service Body</u>	\$ 120,000.00
	Replacement of 2 each 2006 model vans (ATT-00543, ATT-00547)	
	<u>4 Each, Pickup w/Lift Gate (2 with 4x4)</u>	\$ 98,000.00
	Replacement of 4 each 2006 model units (ATT-00534 thru ATT-00537)	
	Total	<u>\$ 583,000.00</u>

OHIO TURNPIKE COMMISSION
2013 FUEL TAX BUDGET

Estimated Beginning Balance January 1, 2013		\$ 1,611,000
Transfers from 2013 Operating Funds		2,105,000
Total 2013 Available Funds		<u>\$ 3,716,000</u>
		2013 Totals
2013 Expenditures:		
Continuing Expenditures From 2012		
26 Roadway Lighting Interchanges 142/151	\$ 450,000	
45 Reg Guide, Destination Signage	\$ 130,000	
70 Slope Repair	<u>\$ 1,200,000</u>	
Total Continuing Expenditures from 2012		\$ 1,780,000
New 2013 Projects:		
37 Tandem Trailer Areas		
Resurfacing of Parking Area, TP187, Portage County	\$ 50,000	
Expansion of LCV Lot, TP 232, Mahoning County	<u>\$ 250,000</u>	
Total		\$ 300,000
40 Repainting Bridges & Towers		\$ 1,400,000
Total 2013 Expenditures on New Projects		<u>\$ 1,700,000</u>
Total 2013 Expenditures		<u>\$ 3,480,000</u>
Uncommitted Funds		236,000
Total 2013 Expenditures and Uncommitted Funds		<u>\$ 3,716,000</u>

OHIO TURNPIKE COMMISSION
2013 SERVICE PLAZA CAPITAL IMPROVEMENT BUDGET

Estimated Beginning Balance January 1, 2013	\$ 3,770,900
Transfers from 2013 Operating Funds	598,300
Total 2013 Available Funds	<u>\$ 4,369,200</u>

	2013 Totals
2013 Expenditures:	
Continuing Expenditures From 2012	
53 A SP 4 Renovations	\$ 1,313,000
53 B Service Plaza Furnishings, Mahoning Valley/Glacier Hills	<u>\$ 225,000</u>
Total Continuing Expenditures from 2012	\$ 1,538,000
New 2013 Projects:	
Service Plaza Furnishings - less than \$1,000 ea	
Replacement of Misc Service Plaza Furnishings	<u>\$ 50,000</u>
Total - Transfer to General Fund	\$ 50,000
41 Resealing Asphalt Surfaces	
Sealing Paved Areas at Service Plazas, SP 3 & SP 4	\$ 200,000
53 Service Plazas	
A. Renovation/Painting, SP 6 & SP 7	\$ 1,000,000
B. Misc. Interior Refurbishments	<u>\$ 100,000</u>
Total	\$ 1,100,000
59 Resurfacing Pavement	
Misc Parking Area Rehabilitation	\$ 100,000
68 Drainage	
Replace Oil Water Seperator, Vermillion Valley	\$ 150,000
Total 2013 Expenditures on New Projects	<u>\$ 1,600,000</u>
Total 2013 Expenditures	<u>\$ 3,138,000</u>
Uncommitted Funds	1,231,200
Total 2013 Expenditures and Uncommitted Funds	<u><u>\$ 4,369,200</u></u>

OHIO TURNPIKE COMMISSION
2013 CAPITAL BUDGET

71 Engineering Consulting Services	Construction Project No (Assumed)	Estimated Fee
2013 Expenditures:		
Continuing Expenditures from 2012:		
71-12-01 MP 95.9 to MP 90.0 EB, Sandusky County	39-13-03	\$ 200,000
71-12-02 Y&S and CSXT RR Bridges	43-14-02	<u>\$ 750,000</u>
Total Continuing Expenditures from 2012		\$ 950,000
New 2013 Projects:		
39 Pavement Replacement		
A MP 164.8 to MP 160.0 WB, Cuyahoga County	39-13-04	\$ 300,000
43 Bridge Repair and Resurfacing		
A Misc Structure Rehabilitation, Williams and Fulton County	43-13-03	\$ 200,000
48 Administration		
A Renovation of South Wing Lights, Ceilings, UPS Power		\$ 75,000
53 Service Plazas		
A Renovation/Painting, SP 6 & SP 7	53-13-02/03	\$ 100,000
B HVAC Sequence of Operation Standards		\$ 25,000
58 Toll Plaza		
A HVAC Redesign (EZ-Pass, Personnel and Code changes)		\$ 50,000
69 Drainage		
A Stormwater Survey		\$ 150,000
70 Correction of Slope Failures		
A Sandusky County Slope Failures (Fangboner, Shiets, Gibbs)	70-13-01	\$ 150,000
B Sandusky County Slope Failures (Shannon, Werth, Township)	70-13-02	\$ 100,000
Miscellaneous		
Consulting Engineer (URS)		
Basic Services		\$ 280,000
Miscellaneous Services		\$ 100,000
Utility Consultant for Aggregation of Utilities		\$ 20,000
Total 2013 Expenditures on New Projects		<u>\$ 1,530,000</u>
Total 2013 Expenditures		<u><u>\$ 2,480,000</u></u>



Inter-Office Communication

The
Ohio
Turnpike
Commission

February 13, 2013

TO: Executive Director
FROM: CFO/Comptroller
SUBJECT: Investment Report – January 31, 2013

The report has four sections:

Summary of portfolio	Page 1
Investment returns	Page 2
Current month transactions	Pages 3 to 4
Listing of each holding	Pages 5 to 6

Summary data included in the detail are:

Value of the portfolio:

<u>Adjusted Cost</u>	<u>Market Value</u>	<u>Average Months to Maturity</u>	<u>Average Months to Call</u>
\$ 197,659,000	\$ 197,672,000	10.5	1.8

Investment revenue and yield for the month: \$ 53,000 .32%
for the year: \$ 53,000 .32%

Transactions for the month:

Three (3) investments matured or were called with total proceeds of \$26,378,000. The average yield was 1.13%.

Fifteen (15) investments were purchased for \$43,226,000. The average yield to maturity is .43% and the average yield to call is .43%.

Martin S. Seekely

c: Commission Members
General Counsel
Assistant Comptroller
Fifth Third Bank

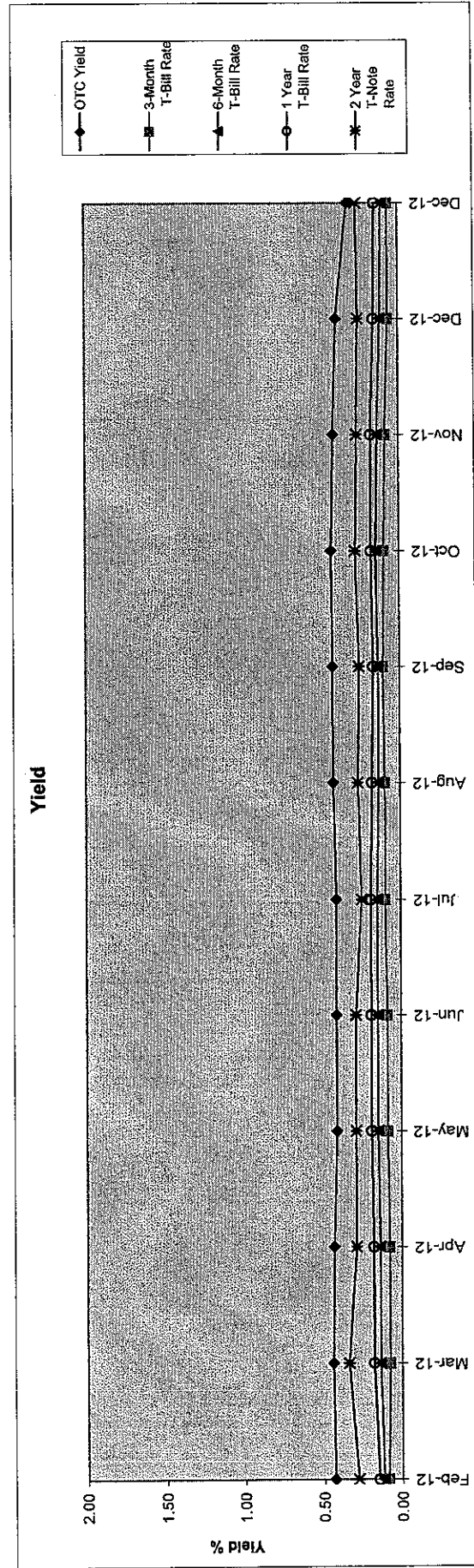
**OHIO TURNPIKE COMMISSION
SCHEDULE OF INVESTMENTS
AS OF JANUARY 31, 2013**

By Fund	Par Value	Adjusted Cost	Market Value	% of Total Mkt Value	Yield to Maturity	Yield to Call	Average Months to Maturity from:		Average Months to Call from:		Variance: Adjusted Cost to Market Value	
							Purch.	1/31/13	Purch.	1/31/13	\$	%
General Fund	\$ 35,017,024	\$ 35,046,465	\$ 35,081,824	17.7%	0.69%	0.69%	7.9	2.4	7.9	2.4	\$ 35,358	.1%
Non Trust Fund	45,160,940	45,160,940	45,182,340	22.9%	0.75%	0.75%	10.8	9.4	2.7	1.3	21,400	.0%
Service Plaza Capital Imp.	3,784,852	3,784,852	3,784,852	1.9%	N/A	N/A	0.0	0.0	0.0	0.0	-	-
Fuel Tax Fund	2,945,000	2,945,000	2,945,000	1.5%	N/A	N/A	0.0	0.0	0.0	0.0	-	-
R & R Fund	5,130,000	5,130,000	5,130,000	2.6%	N/A	N/A	0.0	0.0	0.0	0.0	-	-
System Projects Fund	13,452,227	13,452,227	13,452,227	6.8%	N/A	N/A	0.0	0.0	0.0	0.0	-	-
1998A Bonds Fund	6,843,358	6,843,164	6,843,317	3.5%	0.11%	0.11%	3.2	0.5	3.2	0.5	154	.0%
2001B Bonds Fund	15,133,118	15,132,842	15,133,210	7.7%	0.16%	0.16%	6.1	0.5	6.1	0.5	368	.0%
2009A Bonds Fund	11,842,258	11,842,021	11,842,304	6.0%	0.15%	0.15%	5.6	0.5	5.6	0.5	284	.0%
2010A Bonds Fund	2,719,128	2,719,051	2,719,112	1.4%	0.11%	0.11%	3.2	0.5	3.2	0.5	61	.0%
Debt Service Reserve	55,602,237	55,602,237	55,557,556	28.1%	0.71%	0.71%	28.1	28.0	3.5	3.5	(44,681)	(.1%)
Total	\$ 197,630,142	\$ 197,658,798	\$ 197,671,742	100.0%	0.50%	0.50%	12.7	10.5	4.0	1.8	\$ 12,944	.0%

By Security	Par Value	Adjusted Cost	Market Value	% of Total Mkt Value	Yield to Maturity	Yield to Call	Average Months to Maturity from:		Average Months to Call from:		Variance: Adjusted Cost to Market Value	
							Purch.	1/31/13	Purch.	1/31/13	\$	%
Money Market	\$ 17,048,099	\$ 17,048,099	\$ 17,048,099	8.6%	N/A	N/A	0.0	0.0	0.0	0.0	\$ -	-
Overnight Repurch. Agrmt.	85,345,000	85,345,000	85,345,000	43.2%	N/A	N/A	0.0	0.0	0.0	0.0	-	-
Treasurer's Pool	145,043	145,043	145,043	0.1%	N/A	N/A	0.0	0.0	0.0	0.0	-	-
FFCB Discount	4,660,000	4,659,836	4,659,953	2.4%	0.09%	0.09%	2.2	0.5	2.2	0.5	118	.0%
FHLB	17,890,000	17,889,908	17,890,267	9.1%	0.19%	0.19%	7.7	0.5	7.7	0.5	359	.0%
FHLB Discount	9,327,000	9,326,565	9,326,907	4.7%	0.12%	0.12%	3.8	0.5	3.8	0.5	342	.0%
FHLMC	22,555,000	22,555,000	22,565,199	11.4%	0.68%	0.68%	34.8	34.7	4.3	4.2	10,199	.0%
FHLMC Discount Note	4,660,000	4,659,907	4,659,953	2.4%	0.06%	0.06%	1.1	0.4	1.1	0.4	47	.0%
FNMA	36,000,000	36,029,442	36,031,320	18.2%	0.73%	0.73%	42.4	35.2	13.8	6.6	1,878	.0%
Total	\$ 197,630,142	\$ 197,658,798	\$ 197,671,742	100.0%	0.50%	0.50%	12.7	10.5	4.0	1.8	\$ 12,944	.0%

**OHIO TURNPIKE COMMISSION
INVESTMENT REVENUE
JANUARY 31, 2013**

	Month to Date		Year to Date	
	Amount	Yield	Amount	Yield
General Fund	\$ 16,374	0.33%	\$ 16,374	0.33%
Non Trust Fund	20,388	0.44%	20,388	0.44%
Service Plazas Capital Improvement Fund	808	0.25%	808	0.25%
Fuel Tax Fund	735	0.25%	735	0.25%
Renewal & Replacement Fund	1,112	0.25%	1,112	0.25%
System Projects Fund	2,998	0.25%	2,998	0.25%
1998A Bonds Fund	632	0.12%	632	0.12%
2001B Bonds Fund	2,022	0.16%	2,022	0.16%
2009A Bonds Fund	1,495	0.16%	1,495	0.16%
2010A Bonds Fund	251	0.12%	251	0.12%
Debt Service Reserve	6,253	0.38%	6,253	0.38%
Total	\$ 53,069	0.32%	\$ 53,069	0.32%



**OHIO TURNPIKE COMMISSION
INVESTMENTS MATURED OR CALLED
MONTH OF JANUARY 2013**

Fund	Security Type	Maturity / Call Date	Purchase Date	Par Value	Principal Cost	Accrued Interest	Total Cost	Maturity Price	Interest Received at Maturity	Total Proceeds	Total Interest Received	Total Earnings	Total Yield
Non Trust Fund	FHLMC	01/09/13	01/09/12	10,000,000	9,999,000	-	9,999,000	10,000,000	27,500	10,027,500	55,000	56,000	0.56%
	FHLMC	01/23/13	01/23/12	10,000,000	10,000,000	-	10,000,000	10,000,000	43,750	10,043,750	87,500	87,500	0.88%
2001A Bond Fund	FNMA	01/30/13	01/30/12	6,283,000	6,283,000	-	6,283,000	6,283,000	23,561	6,306,561	47,123	47,123	1.69%
TOTALS	3 TRANSACTIONS			26,283,000	26,282,000	-	26,282,000	26,283,000	94,811	26,377,811	189,623	190,623	1.13%

**OHIO TURNPIKE COMMISSION
INVESTMENTS PURCHASED
MONTH OF JANUARY 2013**

Fund	Security Type	Purchase Date	Maturity Date	Call Date	Par Value	Premium / (Discount)	Principal Cost	Accrued Interest	Total Cost	Yield to Maturity	Yield to Call		
1998A Bond Fund	FHLMC Discount Note	01/10/13	02/13/13		710,695	(40)	710,655	-	710,655	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		657,830	(37)	657,793	-	657,793	0.06%	0.06%		
2001A Bond Fund	FHLMC	01/25/13	01/25/16	04/25/13	16,283,000	-	16,283,000	-	16,283,000	0.75%	0.75%		
	FHLMC	01/30/13	09/25/15	09/25/13	6,272,000	-	6,272,000	10,889	6,282,889	0.50%	0.50%		
	FNMA	01/30/13	01/30/17	07/30/13	16,000,000	-	16,000,000	-	16,000,000	0.75%	0.75%		
2001B Bond Fund	FHLMC Discount Note	01/10/13	02/13/13		38,320	(2)	38,318	-	38,318	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		35,470	(2)	35,468	-	35,468	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		696,775	(40)	696,735	-	696,735	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		644,950	(37)	644,913	-	644,913	0.06%	0.06%		
2009A Bond Fund	FHLMC Discount Note	01/10/13	02/13/13		243,685	(14)	243,671	-	243,671	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		225,560	(13)	225,547	-	225,547	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		448,140	(25)	448,115	-	448,115	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		414,810	(24)	414,786	-	414,786	0.06%	0.06%		
2010A Bond Fund	FHLMC Discount Note	01/10/13	02/13/13		282,385	(16)	282,369	-	282,369	0.06%	0.06%		
	FHLMC Discount Note	01/10/13	02/13/13		261,380	(15)	261,365	-	261,365	0.06%	0.06%		
TOTALS							43,215,000	(264)	43,214,736	10,889	43,225,625	0.43%	0.43%

15 TRANSACTIONS

OHIO TURNPIKE COMMISSION
DETAIL OF INVESTMENTS BY FUND
AS OF JANUARY 31, 2013

Fund/Security	Purchase Date	Maturity Date	Call Date	Yield to Maturity	Yield to Call	Par Value	Adjusted Cost	Market Value
GENERAL FUND:								
Overnight Repurchase Agreement						24,980,000	24,980,000	24,980,000
Treasurer's Pool						37,024	37,024	37,024
FNMA	06/06/11	10/08/13		0.69%	0.69%	10,000,000	10,029,442	10,064,800
TOTAL GENERAL FUND						<u>35,017,024</u>	<u>35,046,465</u>	<u>35,081,824</u>
NON TRUST FUND:								
Overnight Repurchase Agreement						35,120,000	35,120,000	35,120,000
Treasurer's Pool						40,940	40,940	40,940
FNMA	07/26/12	07/26/16	07/26/13	0.75%	0.75%	10,000,000	10,000,000	10,021,400
TOTAL NON TRUST FUND						<u>45,160,940</u>	<u>45,160,940</u>	<u>45,182,340</u>
SP CAPITAL IMPROVEMENT FUND:								
Overnight Repurchase Agreement						3,760,000	3,760,000	3,760,000
Treasurer's Pool						24,852	24,852	24,852
TOTAL SP CAPITAL IMP FUND						<u>3,784,852</u>	<u>3,784,852</u>	<u>3,784,852</u>
FUEL TAX FUND:								
Overnight Repurchase Agreement						2,945,000	2,945,000	2,945,000
TOTAL FUEL TAX FUND						<u>2,945,000</u>	<u>2,945,000</u>	<u>2,945,000</u>
RENEWAL & REPLACEMENT FUND:								
Overnight Repurchase Agreement						5,130,000	5,130,000	5,130,000
TOTAL RENEWAL & REPLACEMENT FUND						<u>5,130,000</u>	<u>5,130,000</u>	<u>5,130,000</u>
SYSTEM PROJECTS FUND:								
Overnight Repurchase Agreement						13,410,000	13,410,000	13,410,000
Treasurer's Pool						42,227	42,227	42,227
TOTAL SYSTEM PROJECTS FUND						<u>13,452,227</u>	<u>13,452,227</u>	<u>13,452,227</u>
1998 SERIES A BONDS:								
Money Market						253	253	253
FFCB Discnt	12/10/12	02/15/13		0.09%	0.09%	1,368,540	1,368,492	1,368,526
FHLB	09/10/12	02/12/13		0.17%	0.17%	1,366,960	1,366,969	1,366,974
FHLB Discount Note	10/10/12	02/15/13		0.12%	0.12%	1,369,990	1,369,926	1,369,976
FHLB Discount Note	11/09/12	02/15/13		0.12%	0.12%	1,369,090	1,369,026	1,369,076
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	710,695	710,681	710,688
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	657,830	657,817	657,823
TOTAL 1998 SERIES A BONDS						<u>6,843,358</u>	<u>6,843,164</u>	<u>6,843,317</u>
DEBT SERVICE RESERVE:								
Money Market						17,047,237	17,047,237	17,047,237
FHLMC	01/25/13	01/25/16	04/25/13	0.75%	0.75%	16,283,000	16,283,000	16,290,816
FHLMC	01/30/13	09/25/15	09/25/13	0.50%	0.50%	6,272,000	6,272,000	6,274,383
FNMA	01/30/13	01/30/17	07/30/13	0.75%	0.75%	16,000,000	16,000,000	15,945,120
TOTAL DEBT SERVICE RESERVE						<u>55,602,237</u>	<u>55,602,237</u>	<u>55,587,556</u>

OHIO TURNPIKE COMMISSION
 DETAIL OF INVESTMENTS BY FUND
 AS OF JANUARY 31, 2013

Fund/Security	Purchase Date	Maturity Date	Call Date	Yield to Maturity	Yield to Call	Par Value	Adjusted Cost	Market Value
2001 SERIES B BONDS:								
Money Market						263.44	263.44	263.44
FFCB Discnt	12/10/12	02/15/13		0.09%	0.09%	73,795	73,795	73,794
FFCB Discnt	12/10/12	02/15/13		0.09%	0.09%	1,341,675	1,341,675	1,341,662
FHLB	03/09/12	02/15/13		0.21%	0.21%	1,338,875	1,338,862	1,338,902
FHLB	04/10/12	02/15/13		0.23%	0.23%	1,341,920	1,341,920	1,341,947
FHLB	05/10/12	02/15/13		0.19%	0.19%	1,341,920	1,341,913	1,341,947
FHLB	06/08/12	02/15/13		0.21%	0.21%	1,341,925	1,341,907	1,341,938
FHLB	07/10/12	02/15/13		0.21%	0.21%	1,339,362	1,339,400	1,339,413
FHLB	08/10/12	02/15/13		0.17%	0.17%	1,231,895	1,231,902	1,231,920
FHLB	08/10/12	02/15/13		0.17%	0.17%	109,500	109,500	109,502
FHLB	09/10/12	02/12/13		0.17%	0.17%	1,349,515	1,349,524	1,349,529
FHLB	09/10/12	02/12/13		0.17%	0.17%	73,710	73,710	73,711
FHLB Discount Note	10/10/12	02/15/13		0.12%	0.12%	73,875	73,875	73,874
FHLB Discount Note	10/10/12	02/15/13		0.12%	0.12%	1,343,165	1,343,102	1,343,152
FHLB Discount Note	11/09/12	02/15/13		0.12%	0.12%	1,342,345	1,342,282	1,342,332
FHLB Discount Note	11/09/12	02/15/13		0.12%	0.12%	73,825	73,822	73,824
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	38,320	38,319	38,320
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	35,470	35,469	35,470
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	696,775	696,761	696,768
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	644,950	644,937	644,944
TOTAL 2001 SERIES B BONDS						15,133,118	15,132,842	15,133,210

2009 SERIES A BONDS:								
Money Market						243	243	243
FFCB Discnt	12/10/12	02/15/13		0.09%	0.09%	469,250.00	469,233.44	469,245.31
FFCB Discnt	12/10/12	02/15/13		0.09%	0.09%	862,965.00	862,934.54	862,966.37
FHLB	03/09/12	02/15/13		0.21%	0.21%	861,125.00	861,116.75	861,142.22
FHLB	04/10/12	02/15/13		0.23%	0.23%	863,060.00	863,063.12	863,097.26
FHLB	05/10/12	02/15/13		0.19%	0.19%	863,060.00	863,075.61	863,097.26
FHLB	06/08/12	02/15/13		0.21%	0.21%	863,075.00	863,063.63	863,083.63
FHLB	07/10/12	02/15/13		0.21%	0.21%	860,600.00	860,588.23	860,608.61
FHLB	08/10/12	02/15/13		0.17%	0.17%	70,500.00	70,500.16	70,501.41
FHLB	08/10/12	02/15/13		0.17%	0.17%	793,109.80	793,120.86	793,120.86
FHLB	08/10/12	02/15/13		0.17%	0.17%	468,705.00	468,708.05	468,709.69
FHLB	09/10/12	02/12/13		0.17%	0.17%	867,965.00	867,970.65	867,973.68
FHLB	10/10/12	02/15/13		0.12%	0.12%	469,740.00	469,718.07	469,735.30
FHLB	10/10/12	02/15/13		0.12%	0.12%	863,880.00	863,839.67	863,871.36
FHLB Discount Note	10/10/12	02/15/13		0.12%	0.12%	863,310.00	863,269.70	863,301.37
FHLB Discount Note	11/09/12	02/15/13		0.12%	0.12%	469,440.00	469,418.09	469,435.31
FHLB Discount Note	11/09/12	02/15/13		0.06%	0.06%	243,685.00	243,680.12	243,682.56
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	225,560.00	225,555.49	225,557.74
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	448,140.00	448,131.03	448,135.52
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	414,810.00	414,801.70	414,805.85
TOTAL 2009 SERIES A BONDS						11,842,268	11,842,021	11,842,304

2010 SERIES A BONDS:									
Money Market						103	103	103	
FFCB Discnt	12/10/12	02/15/13		0.09%	0.09%	543,775	543,775	543,770	
FHLB	09/10/12	02/12/13		0.17%	0.17%	543,145	543,149	543,150	
FHLB Discount Note	10/10/12	02/15/13		0.12%	0.12%	544,350	544,325	544,345	
FHLB Discount Note	11/09/12	02/15/13		0.12%	0.12%	543,980	543,965	543,985	
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	282,385	282,379	282,382	
FHLMC Discount Note	01/10/13	02/13/13		0.06%	0.06%	261,380	261,375	261,377	
TOTAL 2010 SERIES A BONDS						2,719,128	2,719,051	2,719,112	
TOTAL ALL FUNDS							197,630,142	197,658,798	197,671,742

OHIO TURNPIKE COMMISSION

INVESTMENT POLICY

July 2008



TABLE OF CONTENTS

	Page
I. INTRODUCTION	
Purpose	1
Scope.....	1
Investment Authority	1
Prudence	1
Ethics and Conflict of Interest.....	2
Internal Controls	2
II. OBJECTIVES	
Safety of Principal.....	2
Liquidity	3
Yield.....	3
III. ELIGIBLE INVESTMENTS	
Types of Eligible Investments.....	4
Diversification	7
Maximum Maturity.....	7
IV. AUTHORIZED DEPOSITORIES AND BROKER DEALERS	
Selection of Depositories and Broker/Dealers.....	8
Selection of Investment Instruments.....	9
V. CUSTODY AND SAFEKEEPING	
Debt Service Funds	9
All Other Funds.....	9
VI. INVESTMENT REPORTING	10

Attachment - Broker/Dealer Request for Information

I. INTRODUCTION

Purpose

The purpose of this document is to identify the policies that shall govern the investment activities of the Ohio Turnpike Commission. These policies are designed to ensure the prudent management of the Commission's funds in conformance with applicable Ohio laws and the terms of the Master Trust Agreement between the Commission and The Huntington National Bank, dated February 15, 1994, as amended and supplemented (the "Trust Agreement").

Scope

This investment policy applies to all Commission funds. Provisions that are unique to specific funds are noted in the applicable sections of the policy.

Investment Authority

All investments shall be made in compliance with the applicable laws of the State of Ohio including Chapter 5537 of the Ohio Revised Code and the Commission's Trust Agreement. Any conflict between this policy and applicable laws of Ohio or the Trust Agreement shall be resolved in favor of the statutory laws or Trust Agreement, as applicable. Any investment practice not clearly authorized under this policy is prohibited.

Implementation of the Commission's investment policy shall be the responsibility of the Secretary-Treasurer of the Commission and/or the Assistant Secretary-Treasurer of the Commission. The day-to-day management, operation, and implementation of the policy shall be the responsibility of the CFO/Comptroller of the Commission and his/her designee(s). All of the above shall be collectively referred to as "Authorized Parties".

Prudence

The standard of prudence to be applied by the Authorized Parties shall be the industry standard "Prudent Investor Rule" which states: "Investments shall be made with judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." None of the Authorized Parties nor members of the Commission acting in accordance with this policy and exercising due diligence shall be held personally responsible for any realized or unrealized investment losses.

I. INTRODUCTION (continued)

Ethics and Conflict of Interest

All Authorized Parties under this policy shall be in compliance with the Commission's Ethics Policy. All Authorized Parties involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. All depositories and broker/dealers that are approved to provide investment services for the Commission shall acknowledge in writing their receipt of a copy of the Commission's Ethics Policy and their agreement to comply with its terms during the course of business with the Commission.

Internal Controls

The Commission has developed a system of internal controls designed to safeguard assets and provide reasonable assurance of proper recording of all financial transactions. Such controls relevant to the investment transactions have been designed to prevent losses arising from fraud, employee error and misrepresentation by third parties or imprudent actions by employees and officers of the Commission. These controls have been and shall continue to be reviewed and updated, when necessary, by the Commission's Director of Audit and Internal Control as well as the Commission's independent auditors.

II. OBJECTIVES

The primary objectives, in priority order, of investment activities shall be safety, liquidity and yield:

1. Safety of Principal

The safety of the Commission's funds is the single most important objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio by mitigating credit and interest rate risks.

a. Credit Risk

The Commission shall minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in the investment policy; and
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

II. OBJECTIVES (continued)

b. Interest Rate Risk

The Commission shall minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates, by:

- Structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby minimizing the need to sell securities on the open market prior to maturity; and
- Investing operating funds primarily in shorter-term securities, money market mutual funds, STAR Ohio, and overnight repurchase agreements, thereby limiting the average maturity of the portfolio.

2. Liquidity

The portfolio shall be managed in such a manner that assures that funds are available as needed to meet the Commission's immediate and future operating and capital requirements. Since all possible cash demands cannot be anticipated, the portfolio shall consist largely of liquid securities with active secondary markets. A portion of Commission funds, as determined by the CFO/Comptroller, shall be invested in money market mutual funds, overnight repurchase agreements or STAR Ohio, all of which offer same day liquidity for short-term funds. All securities shall be purchased with the expectation that they will be held to final maturity.

3. Yield

The investment portfolio of the Commission shall be designed to achieve a market average rate of return throughout budgetary and economic cycles, taking into account the constraints of reinvestment risk and liquidity needs.

III. ELIGIBLE INVESTMENTS

Commission funds shall be invested only in investments that are described in Section 135.143 of the Ohio Revised Code and that are also described as investments that the Trustee is permitted to hold under the terms of the Commission's Trust Agreement ("Eligible Investment").

Types of Eligible Investments

Debt Service Funds other than Debt Service Reserve Funds

Moneys on deposit in the Interest Account, Principal Account and Bond Redemption Account of the Debt Service Fund as defined by the Commission's Trust Agreement, shall be invested only in the following Eligible Investments:

- A. **U.S. Treasury Obligations** - United States Treasury bills, notes, bonds, or any other obligations or securities issued by the United States Treasury or any other obligation unconditionally guaranteed as to principal and interest by the United States of America;
- B. **U.S. Agency or Instrumentality Obligations** - Bonds, notes, debentures, or any other obligations or securities issued by any agency or instrumentality of the United States of America, including, without limitation, the Federal Farm Credit Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the Government National Mortgage Association;
- C. **Money Market Mutual Funds** – No-load money market mutual funds invested solely in obligations described above as U.S. Treasury Obligations, U.S. Agency Obligations or U.S. Instrumentality Obligations, and/or repurchase agreements fully collateralized by such obligations; and
- D. **STAR Ohio** - The investment pool administered by the Treasurer of the State of Ohio under Section 135.45 of the Ohio Revised Code.

All Other Funds

In addition to the Eligible Investments listed above, Commission funds, other than moneys on deposit in the Interest Account, Principal Account and Bond Redemption Account of the Debt Service Fund, may also be invested in the following Eligible Investments:

III. ELIGIBLE INVESTMENTS (continued)

- E. **General Obligations of the State of Ohio** - Bonds and other obligations of the State of Ohio, provided that such obligation is a general obligation of the State of Ohio or any of its political subdivisions and further provided that such general obligation carries one of the two highest ratings of at least one nationally recognized bond rating agency.
- F. **Repurchase Agreements** if the following conditions are met:
1. The contract is fully collateralized by securities defined herein as U.S. Treasury Obligations, U.S. Agency Obligations or U.S. Instrumentality Obligations maturing in no more than ten (10) years from the date of purchase and having a market value of at least one hundred-two percent (102%) of the amount of the contract;
 2. A master repurchase agreement or specific written repurchase agreement governs the transaction;
 3. The repurchase agreement has a term to maturity of no greater than ninety (90) days;
 4. The repurchase agreement is transacted on a delivery versus payment basis;
 5. The participating institution or dealer provides the Commission with all of the following:
 - a. The par value of the securities;
 - b. The type, rate and maturity value of the securities; and
 - c. The numerical identifier(s) generally accepted in the securities industry that identifies the securities.
 6. The securities are held for safekeeping for the benefit of the Commission or the Trustee, as applicable, free and clear of any lien, by a Federal Reserve Bank or the Trustee;
 7. A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 Code of Federal Regulations 306.1 et seq. in the securities is created for the benefit of the Commission or the Trustee, as applicable;
 8. For repurchase agreements with terms to maturity of greater than one (1) business day, the CFO/Comptroller or his/her designee shall value the collateral securities daily unless market conditions warrant more frequent valuation and require that if additional collateral is required then that collateral must be delivered within one business day (if a collateral deficiency is not corrected within this time frame, the collateral securities shall be liquidated.);
 9. Substitutions of securities shall be permitted only with advance written approval of the CFO/Comptroller or his/her designee;

III. ELIGIBLE INVESTMENTS (continued)

10. The Commission shall enter into repurchase agreements only with firms that are:
 - a. primary government securities dealers that are members of the Financial Industry Regulatory Authority (FINRA), report daily to the Federal Reserve Bank of New York and have \$25 billion in assets and \$350 million in combined capital and surplus, or
 - b. a financial institution meeting the requirements of Section 135.03 of the Ohio Revised Code having \$5 billion in assets and \$500 million in combined capital and surplus regulated by the Superintendent of Financial Institutions, or through an institution regulated by the Comptroller of the Currency, Federal Deposit Insurance Corporation, or Board of Governors of the Federal Reserve System; and
11. The repurchase agreement does not exceed in the aggregate ten percent (10%) of the combined capital, surplus and undivided profits of the issuing institution.

G. Collateralized Overnight Repurchase Agreements – Repurchase agreements described above that have a term of maturity no longer than one business day and that are secured not only by the securities that are the subject of the repurchase contract, but also by additional collateral held for safekeeping for the benefit of the Commission by a Federal Reserve Bank; such collateral to consist of securities defined herein as U.S. Treasury Obligations, U.S. Agency Obligations, U.S. Instrumentality Obligations, and General Obligations of the State of Ohio, with an aggregate market value of at least one hundred-two percent (102%) of the amount of the repurchase contract.

H. Certificates of Deposit of any bank or savings and loan association that is eligible to be a depository of public moneys under Section 135.04 of the Ohio Revised Code, if the following requirements are met:

1. The institution issuing the certificate has combined capital and surplus of at least \$100 million;
2. The certificates of deposit purchased by the Commission from the institution do not exceed in aggregate ten percent (10%) of the institution's combined capital, surplus and undivided profits;

III. ELIGIBLE INVESTMENTS (continued)

3. The issuing institution fully secures the Commission's deposit with collateral held for safekeeping for the benefit of the Commission by a Federal Reserve Bank; such collateral to consist of securities defined herein as U.S. Treasury Obligations, U.S. Agency Obligations, U.S. Instrumentality Obligations, and General Obligations of the State of Ohio, with an aggregate market value (exclusive of accrued interest) equal to the principal amount of the Commission's deposit; and
4. The certificate of deposit shall mature no more than one year from the date of deposit.

Diversification

The Commission's overall portfolio shall be structured to diversify investments to reduce the risk of loss that could result from an over-concentration of assets in a specific type of security, a specific issuer or a specific maturity. The maximum percentage of the Commission's average monthly portfolio that shall be permitted in each investment type is as follows:

U.S. Treasury Obligations	100%
U.S. Agency or Instrumentality Obligations (Fixed Rate)	100%
U.S. Agency or Instrumentality Obligations (Callable)	50%
U.S. Agency or Instrumentality Obligations (Variable Rate)	25%
STAR Ohio	50%
Repurchase Agreements	25%
Collateralized Overnight Repurchase Agreements	100%
Certificates of Deposit	50%
General Obligations of the State of Ohio	25%
Money Market Mutual Funds	25%

Maximum Maturity

Maintenance of adequate liquidity to meet the cash flow needs of the Commission is essential. Accordingly, the portfolio shall be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities shall be consistent with the cash requirements and the objective of avoiding the forced sale of securities prior to maturity. Investment of operating funds shall be structured to ensure that sufficient funds are available for current expenditures, including payroll. Investment of capital funds shall be structured to ensure that moneys from maturing investments are available when needed for the acquisition, construction, repair and replacement of capital facilities and equipment.

III. ELIGIBLE INVESTMENTS (continued)

Maximum Maturity (continued)

Funds on deposit in the Interest Account, Principal Account and Bond Redemption Account of the Debt Service Fund shall mature on or before the next scheduled applicable interest or principal payment date. Amounts representing 100% of the funds in the Commission's Debt Service Reserve Account, General Reserve Fund and Non-Trust Fund, as well as not more than 50% of the balance in the Service Plaza Capital Improvement Fund, shall be invested in Eligible Investments with stated maturities of no more than five (5) years from the date of purchase. The remainder of the Commission's portfolio shall be invested in Eligible Investments maturing in eighteen (18) months or less from the date of purchase, with an average weighted maturity not to exceed ninety (90) days. In no event shall any Commission investment have a stated maturity of more than five (5) years from the date of purchase unless the security is matched to a specific obligation or debt of the Commission as determined by the CFO/Comptroller.

IV. AUTHORIZED DEPOSITORIES AND BROKER DEALERS

Selection of Depositories and Broker/Dealers

The CFO/Comptroller shall maintain a list of depositories and broker/dealers authorized to provide investment services for the Commission. The CFO/Comptroller shall conduct a review of the credit worthiness and financial history of each prospective depository or broker/dealer requesting to be added to the list. All such depositories and broker/dealers shall provide the Commission with annual audited financial statements.

Approved broker/dealers shall be limited to "primary" dealers and other dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule) that are registered with the Ohio Department of Commerce to do business in the State of Ohio and that have a "significant Ohio economic presence" as defined by the Commission's Model System of Preferences. All broker/dealers shall provide, on an annual basis, a completed "Broker/Dealer Request for Information" attached hereto, which includes an affidavit in which the broker/dealer acknowledges receipt of a copy of this Investment Policy and pledges to offer for sale only appropriate securities and to disclose any potential conflict of interest that may arise out of business transactions between the broker/dealer and the Commission.

IV. AUTHORIZED DEPOSITORIES AND BROKER DEALERS (continued)

Selection of Investment Instruments

The Commission shall enter into investment transactions only with approved depositories and broker/dealers. Except as otherwise indicated below, all security purchases and sales shall be made through a competitive process. The Commission shall accept the offer which (a) has the highest rate of return within the maturity required; and (b) optimizes the investment objective of the overall portfolio, in the sole determination of the CFO/Comptroller. When selling a security, the Commission shall select the bid that generates the highest net sale price. U.S. Agency and Instrumentality Obligations may be purchased from the list of approved broker/dealers without competitive solicitation.

V. CUSTODY AND SAFEKEEPING

Debt Service Funds

All investments of Debt Service Funds shall be held by The Huntington National Bank, Trustee, in accordance with the terms of the Trust Agreement.

All Other Funds

Excluding Debt Service Fund investments, all U.S. Treasury Obligations, U.S. Agency Obligations, U.S. Instrumentality Obligations, and General Obligations of the State of Ohio purchased by the Commission shall be held in third-party safekeeping for the benefit of the Commission at a bank or savings and loan association that is eligible to be a depository of public moneys under Section 135.04 of the Ohio Revised Code and that is also authorized under Ohio law to act as trustee for the safekeeping of securities. All such securities shall be held in the name of the Commission and shall be free and clear of any lien.

All investment transactions shall be conducted on a delivery versus payment basis. The depository shall issue a safekeeping receipt to the Commission listing the specific instrument, interest rate, maturity and other pertinent information for each investment transaction. On a monthly basis, the depository shall also provide reports which list all securities held for the Commission, the book value of holdings and the market value as of month-end. Appropriate representatives of the depository responsible for, or in any manner involved with, the custody and safekeeping process shall be bonded in such a fashion as to protect the Commission from losses from malfeasance and misfeasance.

VI. INVESTMENT REPORTING

The CFO/Comptroller shall submit a monthly report to the Commission Members and the Assistant Secretary-Treasurer, by fund, of all investment transactions, holdings, monthly returns and year-to-date returns.

For new securities purchased, the report shall contain the type of security purchased, the par amount purchased, the purchase date, the maturity date, the cost and yield to maturity.

For securities sold prior to maturity date, the report shall list the type of security sold, the par amount sold, the purchase date, the maturity date, the actual sale date, the proceeds received, the gain or loss realized on the sale and the yield earned.

For securities that matured during the month, the report shall list the type of security that matured, the par amount, the purchase date, the maturity date, the total cost, the total proceeds received, the interest received and the yield earned.

In addition, the CFO/Comptroller's monthly report shall contain a summary of investment revenue earned by fund for the month reported and investment revenue earned year to date by fund.