



STATE OF VERMONT
OFFICE OF THE STATE TREASURER

NEWS RELEASE

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State of Vermont Bond Sale Announced for March

MONTPELIER, Vt.—On March 3, the State Treasurer's Office will offer approximately \$50 million in general obligation bonds to raise needed funds for the construction and maintenance of a wide range of State building and transportation projects.

The opportunity to purchase the State of Vermont bonds will be offered first to Vermont residents and businesses. Any bonds remaining after Vermonters have had the opportunity to invest will then be made available to retail and institutional investors from outside of the state. Bonds may be purchased in \$1,000 increments.

"We want to make certain that Vermonters are aware of the availability of these bonds, which my office issues on an annual basis," said State Treasurer Jeb Spaulding.

Investment earnings from the bonds are exempt from state and federal taxes. The bonds' maturities range from one to 20 years. As a new bond issue, all bonds are sold without commission or trading mark-up. Past annual interest rates offered on Vermont general obligation bonds range from approximately 2 percent to nearly 5 percent. Bonds are backed by the full faith and credit of the State of Vermont.

"Buying bonds from the State of Vermont gives Vermonters an opportunity to invest in the state and support much needed capital projects," said Spaulding.

The sale of bonds to investors is the process by which states borrow money to make critical investments in public infrastructure.

Bonds must be purchased through a registered broker/dealer. The State Treasurer's Office does not sell the bonds directly. Interested investors are encouraged to contact one of the following firms at least one week prior to the issue date: Charles Schwab & Co. Inc.; Citigroup Global Markets Inc.; Edward Jones Investments; Fidelity Investments; Merrill Lynch & Co.; Morgan Stanley; UBS Financial Services Inc.; and Wachovia Securities. The Treasurer's office does not endorse any particular broker/dealer.

The preliminary Official Statement for this offering will be available on the State Treasurer's web site around February 20. Go to www.BuyBonds.Vermont.gov to view the statement regarding Vermont General Obligation Bonds, 2009 Series A.

Under no circumstances should this announcement of bond issuance be considered an offer to sell or a solicitation to offer to buy, nor shall there be any sales of the bonds in any jurisdiction in which such offer, solicitation or sales would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The bonds will be sold by means of an Official Statement.