



**STATE OF VERMONT**  
**OFFICE OF THE STATE TREASURER**

**NEWS RELEASE**  
**FOR IMMEDIATE RELEASE—November 4, 2010**

**Vermont Bond Investors Take Notice**

MONTPELIER, Vt.—Interested Vermont residents and businesses are about to have a limited opportunity to purchase new issue State of Vermont bonds. The State Treasurer's Office recommends that anyone interested in buying some of the \$25 million in soon-to-be available bonds contact a registered broker/dealer well in advance of the November 16 sale date. Previous bond offerings targeted to Vermont investors have sometimes had three times as many orders for the bonds as there were bonds available.

These general obligation bonds are part of a "Citizen's Bond" program developed by the Vermont State Treasurers' Office. They may be purchased in \$1,000 increments and are made available first to Vermont residents and businesses. The bonds' maturities will range from one to 10 years. Interest rates are estimated to range from 0.25 percent for one-year bonds to 2.25 percent for 10-year bonds, but could be higher or lower depending upon market conditions on November 16. Interest earnings from the bonds are exempt from Vermont state and federal taxes.

"Since we don't issue a whole lot of debt and our credit is strong, we anticipate a positive response to this bond offering," said State Treasurer Jeb Spaulding. "I like to emphasize that these bonds are sold without commission or trading mark-up, but from a financial perspective, these bonds are not appropriate for all investors."

The State Treasurer's Office does not sell the bonds directly and does not endorse any particular broker or dealer. Vermonters may purchase bonds through their broker or dealer, or from one of the firms assisting Vermont with the bond sale. The senior manager is Bank of America Merrill Lynch and selling group firms include: Citi, Edward Jones, Fidelity, J.P. Morgan, Morgan Keegan, Morgan Stanley, RBC, and Rockfleet. Brokers wishing to join the selling group should contact Bank of America Merrill Lynch.

The State sells bonds to investors to borrow money to make critical investments in public infrastructure. The money raised by a bond sale funds a wide range of capital purposes, including State building construction and maintenance, health and public safety, and pollution control projects. Vermont bonds are rated Triple-A by Moody's Investor Service and Fitch Ratings, the highest rating available and Double A+ by Standard & Poor's Ratings Service. The higher the bond rating, the more creditworthy the rating agency evaluates a bond issuer to be.

The preliminary Official Statement for this offering will be available on the State Treasurer's web site November 10. For a direct link to the bond offering, go to [www.BuyBonds.Vermont.gov](http://www.BuyBonds.Vermont.gov). The offering is named: State of Vermont General Obligation Bonds, 2010 Series E (Vermont Citizen Bonds).

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 offered for sale by means of an Official Statement.