



NEW MEXICO
FINANCE AUTHORITY

**PPRF, STANDALONE & NMDOT
BOND UNDERWRITER POOL
SELECTION
for the
JULY 1, 2021 – JUNE 30, 2022 PERIOD**

DATE ISSUED: APRIL 15, 2021

RESPONSE DATE: April 30, 2021

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I. INTRODUCTION

A. PURPOSE

The New Mexico Finance Authority (“Finance Authority”) is a governmental instrumentality that provides financing to state and local government entities and leverages state infrastructure investment by mixing state equity or federal grant resources with debt-financed resources.

The Finance Authority selects underwriters for its Public Project Revolving Fund (“PPRF”) negotiated sale bond transactions and for New Mexico Department of Transportation (“NMDOT”) negotiated sale bond transactions based on the Finance Authority’s policy titled *NEW MEXICO FINANCE AUTHORITY PUBLICLY DISTRIBUTED BOND ISSUANCE and UNDERWRITER POLICY WITH UNDERWRITER POOL REQUIREMENTS* (“Policy”), dated January 2020. The Policy can be found at the Finance Authority’s Investor Relations website, www.nmbondfinance.com, under the heading *Documents, New Mexico Finance Authority Act & Policies*.

The purpose of this Request for Proposals (“RFP”) is to select eight qualified firms to form a pool to underwrite the Finance Authority’s Public Project Revolving Fund (“PPRF”), Standalone (“Conduit”) and New Mexico Department of Transportation (“NMDOT”) negotiated sale bonds during the period July 1, 2021 to June 30, 2022 (“Pool Year”), the Negotiated Sale Underwriter Pool (“Pool”). Six firms will be selected as primary underwriters and two firms will be selected as alternative co-managers. The firms to be included in the Pool, the order of their underwriter assignments, and the underwriter’s takedown commitment for the Pool Year will be approved no later than the June 2021 meeting of the Finance Authority’s Board of Directors.

Information about PPRF series bonds and NMDOT series bonds including Official Statements, original and current debt service schedules, PPRF portfolio information, and ratings can be accessed at the Finance Authority’s Investor Relations website, www.nmbondfinance.com.

Three or more members of the Finance Authority staff, its outside Municipal Advisors, plus additional evaluators, if any, appointed by the Board’s Chairman will make up the Finance Authority Evaluation Committee tasked with evaluating the submittals and making selections based on the responses received and automatic points earned as provided by the Policy. At least two of NMDOT staff, its outside Municipal Advisor, and a State Transportation Commission member will also evaluate the proposals.

B. BACKGROUND

The Finance Authority was created by the New Mexico State Legislature in 1992 to finance infrastructure projects for the state’s counties and cities and certain departments of state government. The objective was to provide low-cost financing for borrowers who might not otherwise be able to access the tax-exempt bond market on a cost-effective basis. The 1992 statute created the Public Projects Revolving Fund (“PPRF”) as the vehicle to accomplish this financing objective. As authorized by the statute, the Finance Authority issues tax-exempt PPRF bonds to obtain the funds it loans to New Mexico governmental entities. The statute created the Governmental Gross Receipts tax as a source of funding for Finance Authority operations and to

serve as a credit enhancement for the Finance Authority's bonds. The Finance Authority also issues NMDOT bonds at the direction of the State Transportation Commission.

C. SCOPE OF PROCUREMENT

Professional underwriting services required to be provided to the Finance Authority under an award pursuant to this RFP shall include, but are not limited to, the following bond management functions:

- 1.0 Transaction Management. Working with the Finance Authority, its Municipal Advisor and Bond Counsel, review all pertinent legal requirements and other factors related to the issuance of bonds.
- 2.0 Preparation of Financing and Marketing Documents. Working with the Finance Authority, its Municipal Advisor, Bond Counsel, Disclosure Counsel and Special Tax Counsel, participate and perform due diligence in the development of the bond resolution, preliminary and final offering statements, and other marketing documents.
- 3.0 Preparation of Marketing Program. Working with the Finance Authority and its Municipal Advisor, create a marketing campaign aimed at retail and institutional buyers, as appropriate. This effort may include advertising for retail investors, informational meetings for institutional investors, nationwide conference calls for dissemination of information to investors, and development of information for distribution on the Internet.
- 4.0 Price, Purchase and Distribute Bonds. Working with the Finance Authority and its Municipal Advisor, develop a pricing strategy to provide the lowest possible debt service cost to the Finance Authority. This may include a separate retail order period and coordination with a selling group agreed with the Finance Authority. Prepare a final sales analysis, including a report on final bond allocations and takedown distributions with supporting justification if requested, review sales performance with the Finance Authority, and provide a final pricing analysis and summary of the issue.
- 5.0 Bond Closing. Working with the Finance Authority, its Municipal Advisor and Bond Counsel, assist the Finance Authority in closing, investing the bond proceeds when applicable, finalizing the official statement and ensuring that all actions for the delivery of funds and bonds are completed.
- 6.0 Summary of Takedown Allocation. Provide the Finance Authority with detail, both by firm and by maturity, of the allocation of underwriter takedown for retail and institutional maturities among the underwriting syndicate and selling group.
- 7.0 Priority of Orders. Manage priority of orders as follows:
 1. New Mexico Retail (Individuals Only)
 2. National Retail (Individuals Only)
 3. Net Designated
 4. Member

Individual Retail Definition: An individual retail order is defined as an order placed for the direct placement to an account of an individual up to a maximum of \$500,000 per account. Zip codes will be required on all retail orders. Individual Retail orders do not include bank trust departments, registered investment advisors, bank portfolio, DVP accounts, insurance companies, bond funds or broker dealers.

All managers must be designated.

No firm may receive more than 60.00% of any designation.

Each designee must receive a minimum of 10.00% for each priority order.

D. QUALIFICATIONS OF OFFEROR

To be selected, a firm must be able to meet qualification standards consistent with those of the Finance Authority's current underwriter pool members. To view the Finance Authority's current underwriter pool go to the Finance Authority's Investor Relations website, www.nmbondfinance.com, under the heading *Bonds, NMFA Underwriter Pool Assignments FY2021*.

E. PROCUREMENT MANAGER

The Finance Authority has designated a Procurement Manager responsible for the conduct of this procurement whose name, address, and telephone number are listed below (all deliveries should be sent to this address):

Michael Zavelle, Chief Financial Strategist
New Mexico Finance Authority
207 Shelby Street
Santa Fe, NM 87501
Telephone: (505) 992-9639
Facsimile: (505) 992-9635
Email: mzavelle@nmfa.net

This procurement is being conducted in accordance with and subject to the requirements of the *NEW MEXICO FINANCE AUTHORITY PUBLICLY DISTRIBUTED BOND ISSUANCE and UNDERWRITER POLICY*.

Until the award is made and notice given to all Offerors, the Finance Authority will not disclose the contents of any proposal with an Offeror or potential Offeror so as to make the contents of any offer available to competing or potential Offerors.

II. CONDITIONS GOVERNING THE PROCUREMENT

This section of the RFP contains the schedule for the procurement, describes the major procurement events, and specifies general requirements for the procurement.

A. SEQUENCE OF EVENTS

The Procurement Manager will make every effort to adhere to the following schedule:

Action	Responsibility	Date
1. Issuance of RFP	Finance Authority	4/15/21
2. Deadline to Submit Written Questions	Offerors	4/20/21
3. Response to Written Questions/RFP Amendments	Finance Authority	4/21/21
4. Submission of Proposals	Offerors	4/30/21
5. Review of Proposals	Evaluation Committee	4/30/21 through 5/19/21
6. Selection and Recommendation to Committees	Evaluation Committee	5/19/21 through 5/21/21
7. Board Approval	Finance Authority	5/27/21
8. Protest Deadline		15 days after award

B. EXPLANATION OF EVENTS

The following paragraphs describe the activities listed in the sequence of events shown in Section II, Paragraph A.

- 1.0 Issuance of RFP. Potential Offerors may be directly provided with a copy of the RFP by the Procurement Manager or may obtain a copy by visiting the Finance Authority's website at www.nmfinance.com.

The RFP may be cancelled or any or all proposals may be rejected in whole or in part when it is determined by the Finance Authority in its sole discretion, to be in the best interests of the Finance Authority.

- 2.0 Deadline to Submit Written Questions. Potential Offerors may submit written questions concerning this RFP until the deadline outlined above. All questions must be submitted in writing **VIA EMAIL to the Procurement Manager.**

- 3.0 Response to Written Questions/RFP Amendments. The Finance Authority will make the questions and the Finance Authority's responses available via its website at www.nmfinance.com.

- 4.0 Submission of Proposal. Offeror proposals, including Appendix A, “Letter of Transmittal”, must be received for review and evaluation by the Procurement Manager **VIA EMAIL NO LATER THAN 1:00 PM MOUNTAIN DAYLIGHT TIME ON April 30, 2021.** Proposals must be emailed to the Procurement Manager at the address listed in Section I, Paragraph E.

A public log will be kept of the names of all Offeror organizations that submitted proposals. The contents of any proposal shall not be disclosed prior to contract award or cancellation of the RFP.

- 5.0 Review of Proposals. Proposals will be distributed to members of the Evaluation Committee.

The review of proposals will be performed by the Finance Authority’s Evaluation Committee. During this time the Procurement Manager may, on behalf of the Evaluation Committee, initiate discussions with Offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the proposals, but proposals may be accepted and evaluated without such discussion. Discussions **shall not** be initiated by the Offerors.

- 6.0 Selection. Evaluation Committee will select proposals for recommendation to the Finance Authority Board of Directors.

- 7.0 Recommendation to Finance Authority or Board. The Evaluation Committee will present its decision and recommendation of the the selected awardees to the Finance Authority Board of Directors for final approval.

The award shall be made to the Offeror(s) whose proposals are determined to be most advantageous, taking into consideration the evaluation factors set forth in the RFP and in accordance with the Policy. The most advantageous proposals may or may not have received the most points.

- 8.0 Protest Deadline. Protests must be submitted in writing to the Finance Authority, Attn: Finance & Disclosure Committee, within fifteen (15) calendar days of the award. Protests must include the name and address of the protester and the RFP number, and state with particularity the basis for the protest and the facts relied upon, including appropriate supporting exhibits. It must also specify the ruling requested from the Finance Authority. Protests must be delivered to the Procurement Manager for distribution to the Finance & Disclosure Committee.

Protests received after this deadline will not be accepted.

C. GENERAL REQUIREMENTS

This procurement will be conducted in accordance with the Policy and the following general requirements.

- 1.0 Acceptance of Conditions Governing the Procurement. Offerors must indicate their acceptance of the Conditions Governing the Procurement section of this RFP in their Letter of Transmittal which is attached hereto as Appendix “A”. Failure to submit the Letter of Transmittal will disqualify the Offeror from consideration by the Evaluation Committee. Submission of a proposal shall be deemed to constitute acceptance of the requirements outlined in the RFP.
- 2.0 Incurring Cost. Any cost incurred by the Offeror in preparation, transmittal or presentation of any proposal or material submitted in response to this RFP shall be borne solely by the Offeror.
- 3.0 Amended Proposals. An Offeror may submit an amended proposal before the deadline for receipt of proposals. Such amended proposal must be a complete replacement for a previously submitted proposal and must be clearly identified as such in the Letter of Transmittal. The Finance Authority will not merge, collate, or assemble proposal materials.
- 4.0 Offeror's Right to Withdraw Proposal. An Offeror will be allowed to withdraw a proposal at any time prior to the deadline for receipt of proposals. The Offeror must submit a written withdrawal request signed by the Offeror's duly authorized representative addressed to the Procurement Manager.
- 5.0 Proposal Offer Firm. Responses to this RFP, including proposal prices, will be considered firm and binding for ninety (90) calendar days after the due date for receipt of proposals.
- 6.0 Disclosure of Proposal Contents. The proposals will be kept confidential until an award is made by the Finance Authority Board of Directors or the Procurement is terminated. At that time, all proposals and documents pertaining to the proposals will be open to the public in accordance with applicable law.

The Offeror hereby acknowledges that the Finance Authority is subject to state laws, including, without limitation, the Inspection of Public Records Act, Section 14-2-1 through 14-2-12 NMSA 1978, which provides generally that all records relating to a public business are open to public inspection and copying unless exempted under the Inspection of Public Records Act, and the Open Meetings Act, Section 10-15-1 through 10-15-4 NMSA 1978, which provides generally for open meetings for public deliberative bodies. Neither the Offeror nor any related entity shall make any claim against the Finance Authority if it makes available to the public any document, report, or other information the Finance Authority received from the Offeror or any related entity which was made public by the Finance Authority pursuant to the Inspection of Public Records Act or the Open Meetings Act, as permitted by law.

The Finance Authority acknowledges that an Offeror may desire to protect proprietary or confidential information from disclosure under certain circumstances when reasonable. Proprietary or confidential data shall be readily separable from the proposal in order to

facilitate eventual public inspection of the non-confidential portion of the proposal and an Offeror *must* make a written request to keep such information confidential at the time of submission of a proposal.

Confidential data is normally restricted to confidential financial information concerning the Offeror's organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, Sections 57-3A-1 to 57-3A-7 NMSA 1978. The price of products offered or the cost of services proposed shall not be designated or treated as proprietary or confidential information.

If a request is received for disclosure of information for which an Offeror has made a written request for confidentiality, the Finance Authority shall examine the Offeror's request and make a determination that specifies which portions of the proposal should be disclosed.

The Finance Authority may endeavor to contact the Offeror before releasing any information, but in no event will the Finance Authority be under any obligation to either contact the Offeror or refuse to disclose information permitted to be disclosed by New Mexico law. In addition, the Offeror agrees to fully release, waive, and hold the Finance Authority and its employees and officers harmless from any liability or costs associated with the release of any information.

- 7.0 No Obligation. This procurement does not obligate the Finance Authority to the eventual purchase of any professional services offered.
- 8.0 Termination. This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the Finance Authority determines, in its sole discretion, such action to be in the best interest of the Finance Authority.
- 9.0 Governing Law. This procurement and any agreement with Offerors that may result shall be governed by the laws of the State of New Mexico.
- 10.0 Basis for Proposal. Only information supplied by the Finance Authority in writing through the Procurement Manager or in this RFP should be used as the basis for the preparation of Offeror proposals.
- 11.0 Offeror Qualifications. The Evaluation Committee may make such investigations as necessary to determine the ability of the Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will, in its sole discretion, reject the proposal of any Offeror who it determines is not a responsible Offeror or fails to submit a responsive offer.
- 12.0 Right to Waive Minor Irregularities. The Evaluation Committee reserves the right to waive any mandatory requirement provided that all of the otherwise responsive proposals failed to meet the same mandatory requirement and the failure to do so does not

otherwise materially affect the procurement. This right is in the sole discretion of the Evaluation Committee.

- 13.0 Acceptance of Proposals. The Finance Authority reserves the right to accept all or a portion of an Offeror's proposal.
- 14.0 Ownership of Proposals. All documents submitted in response to the RFP shall be retained in the procurement file in electronic format and will become the property of the Finance Authority.

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF RESPONSES

Each Offeror may submit only one proposal.

Offerors shall electronically submit all proposals via pdf to the Procurement Manager on or before the closing date and time for receipt of proposals.

B. PROPOSAL FORMAT AND CONTENTS

Proposals should be sufficiently detailed to allow the Evaluation Committee to properly evaluate an underwriting firm's capabilities to provide the required services. Each proposal should conform to the following outline and include the following elements.

- 1.0 Basic Information. Prepare tabular presentations of the following information, as of the date that such information is most recently available or make brief statements where appropriate.
 - 1.1 Capital of the Underwriting Firm.
 - 1.2 Provide a recent example of an issue in which your firm underwrote a substantial number of bonds. What yield adjustments, if any, were necessary at the time of the verbal award in order to commit to underwriting the unsold balances?
 - 1.3 Investment Banking Team Personnel. Identify and provide biographical information for the following individuals:
 - 1.3.1 The banker who will assume the day-to-day responsibility for the engagement.
 - 1.3.2 The analytical staff, other than the banker identified above, who will be assigned to the Finance Authority engagement.
 - 1.3.3 The underwriter who will direct the pricing, underwriting, and marketing of the bonds.
- 2.0 Reputation. Please comment on any relevant matters that will assist the RFP evaluators in

understanding why the Finance Authority should engage your firm as an underwriter based on the reputation that your firm enjoys in New Mexico and nationally and based on the performance of your firm in underwriting Finance Authority and municipal bond issues.

- 2.1 State whether any regulatory agency has conducted an audit, review, or investigation of the firm's underwriting group during the last three years.
 - 2.2 If such an audit or review was conducted, what were the findings?
 - 2.3 Is there any pending or threatened litigation against the firm or any of its officers, directors, principals, or investment personnel? If so, please explain.
 - 2.4 Is there any pending or threatened regulatory action, or any regulatory action during the last three years, against the firm or any of its officers, directors, principals, or investment personnel? If so, please explain.
 - 2.5 Have any of your firm's officers, directors, principals, or investment personnel ever been convicted of a felony?
 - 2.6 Has your firm made a claim against its fiduciary liability or errors and omissions or similar insurance policy during the last three years? If so, please explain.
- 3.0 Case Study. Please provide at least one but no more than two case studies that best illustrates your firm's unique capabilities indicating its relevance to PPRF bond issues. Limit each case study to one page.
- 4.0 Approach to Financing. All firms must respond to questions 4.1 to 4.3 below regarding their approach to financing PPRF and Finance Authority Standalone bonds. Firms applying for a position as a primary underwriter must also address items 4.4 to 4.6.

To provide context for investor relations questions in this section, attached as Appendix B is a list of firms that have placed orders for PPRF negotiated bond issues starting from 2013. The list incorporates 33 bond issues of which 16 are 2018 to 2021 issues. Included are maturity segment breakouts over the 30-year curve and by maturity year breakouts of orders for each firm submitting non-retail orders. Many firms placing orders, including firms placing frequent orders, do not appear in lists of top holders of Finance Authority bonds.

As will be discerned from Appendix B, some major investors in pooled revolving funds are represented while others are absent. How to tap the potential of absent and non-recent firms is of interest to the Finance Authority.

- 4.1 What mix of purchasers will be attracted to typical Finance Authority's PPRF, Standalone and NMDOT bonds? Specifically, please segment the type of purchaser (e.g., Retail, Bond Funds, Insurance Companies, Hedge Funds, etc.) by the following maturity ranges: 1-10 years, 11-20 years, and 20-30 years and indicate coupon preferences for those firms if other than 5%.

- 4.2 Please give examples of investors who could be targeted for each of the maturity ranges indicating whether they are current investors in Finance Authority bonds or potential investors. If potential investors, indicate why the firms are viable investor targets and why your firm is well-suited to act as a liaison between the Finance Authority and the target investor.
- 4.3 Provide your thoughts on the most effective way to market and structure typical Finance Authority Bonds. What specific strategies do you recommend to achieve the most favorable market reception?
- 4.4 Provide an estimate of 1 to 30 years yields for a typical senior lien PPRF bond issue based on yields as of market close on Tuesday, April 20, 2021. Include an initial estimate of the coupon structure. To the extent you are assuming callable premium bonds, provide the “kicked” yield as well.
- 4.5 Provide the *underwriting takedown (in dollars/\$1,000) and management fee, if any, that your firm would be willing to commit to for the period July 1, 2021 to June 30, 2022.*
- 4.5.1 Takedown by maturity.
- 4.5.2 Management Fee, if any.
- 4.6 Provide one DBC type report that refunds the par amounts and coupons for the Example of Outstanding Bond Issue illustrated on the next page. Assume proportional savings. Assume a bond sale on May 5, 2021 and that all bonds are callable as of June 1, 2031. For purposes of the DBC report, Cost of Issuance should be assumed as \$375,000 plus Underwriter Takedowns. Thus, the only Sources should be Par Amount and Premium. The only Uses should be Refunding Deposit, Cost of Issuance, Underwriter’s Discount and Additional Proceeds. There is no Administrative Fee for the Finance Authority or other Cost of Issuance expenses beyond \$375,000. Assume that no escrow is required. Assume a dated and delivery date of June 1, 2021, and a first interest payment of December 1, 2021.

The DBC runs should include at a minimum:

- Sources & Uses
- Bond Statistics
- Summary of Bonds Refunded
- Savings
- Bond Pricing including Coupon and Yield
- Bond Maturity Table
- Prior Bond Debt Service (annual summary basis)
- Bond Debt Service (annual summary basis)

Example of Outstanding Bond Issue as of May 5, 2021

Maturity Date	Principal Amount	Coupon
6/1/2021	\$ -0-	N/A
6/1/2022	\$1,200,000	3.00%
6/1/2023	\$1,400,000	5.00%
6/1/2024	\$1,600,000	5.00%
6/1/2025	\$1,800,000	5.00%
6/1/2026	\$1,900,000	5.00%
6/1/2027	\$2,200,000	5.00%
6/1/2028	\$2,400,000	5.00%
6/1/2029	\$2,600,000	5.00%
6/1/2030	\$2,800,000	5.00%
6/1/2031	\$3,300,000	5.00%
6/1/2032	\$3,300,000	5.00%
6/1/2033	\$3,400,000	5.00%
6/1/2034	\$3,300,000	5.00%
6/1/2035	\$3,300,000	5.00%
6/1/2036	\$3,400,000	5.00%
6/1/2037	\$3,300,000	5.00%
6/1/2038	\$3,300,000	5.00%
6/1/2039	\$3,400,000	4.00%
6/1/2040	\$3,300,000	4.00%
6/1/2041	\$3,300,000	3.00%
6/1/2042	\$3,400,000	3.00%
6/1/2043	\$2,100,000	3.00%
Total	\$60,000,000	

IV. EVALUATION

A. PROCESS

Proposals will be evaluated by an Evaluation Committee composed of at least: i) three Finance Authority staff members appointed by the Chief Executive Officer; ii) one or two representatives of the Finance Authority's outside Municipal Advisor; and, iii) at least two of an NMDOT staff member, the NMDOT outside Municipal Advisor and a State Transportation Commission member. The Chairman of the Finance Authority's Board may appoint additional evaluators.

Positions in the Underwriter Pool will be awarded to the Offerors whose proposals are determined to be the most advantageous, taking into consideration the evaluation factors set forth in the RFP and in accordance with the Policy and the Finance Authority's Procurement, Contract and Reimbursement Policies ("Procurement Policies"). The most cost advantageous proposals may or may not have received the most points. The Finance Authority will provide written notice of the award to all Offerors following the date of the award of contract. A serious deficiency in any one criterion may be grounds for rejection and the listing of cost as an evaluation factor does not require the Finance Authority to select the Offeror who submits the lowest cost proposal. The Finance Authority shall, in its sole discretion, have the right to obtain, from any and all sources, information concerning an Offeror which is deemed pertinent to the RFP and to consider such information in the RFP evaluation.

B. EVALUATION FACTORS

EVALUATION POINTS TABLE		POINTS
1.	For approach to pricing, structuring, and marketing of PPRF and Standalone bond issues	50
2.	For level of involvement with the Finance Authority considering ideas provided, in person meetings and opportunities for Finance Authority staff to directly access regional and national investors; performance working with the Finance Authority involving banking relationships other than for the issuance of bonds; and, performance in underwriting PPRF and Standalone negotiated and competitive bond sales.	25
3.	For overall presence in New Mexico and for performance as a New Mexico and national underwriter of municipal bonds.	15
4.	For overall reputation of a firm in New Mexico and nationally considering, to the extent evident, information such as credit ratings, industry rankings, media coverage, regulatory activity, litigation, SEC and other corporate filings, results of reference enquiries, ethical behavior and intellectual capital.	10
Total Points		<u>100</u>

C. UNDERWRITER ASSIGNMENTS

Underwriters selected for the Pool will be offered the opportunity to underwrite negotiated sale PPRF, NMDOT or Standalone bonds per the following ordering during the July 1, 2021 to June 30, 2022 period. The ordering of underwriters will be recommended by the RFP Evaluation Committee and approved by the Finance Authority’s Board.

<u>Sale Number</u>	<u>Senior Manager</u>	<u>Co-Manager</u>	<u>Co-Manager</u>
Sale # 1	U/W ordered 1	U/W ordered 5	U/W ordered 6
Sale # 2	U/W ordered 2	U/W ordered 3	U/W ordered 4
Sale # 3	U/W ordered 3	U/W ordered 1	U/W ordered 2
Sale # 4	U/W ordered 4	U/W ordered 5	U/W ordered 6
Sale # 5	U/W ordered 5	U/W ordered 3	U/W ordered 4
Sale # 6	U/W ordered 6	U/W ordered 1	U/W ordered 2

The table will repeat if more than six negotiated sales take place in any year.

The two alternative co-managers will be selected as follows: One alternative co-manager will be the underwriter ordered #7 amongst those underwriters seeking to be primary underwriters. The other alternative co-manager will be the underwriter ranked #1 amongst those underwriters seeking only to be an alternative co-manager or the underwriter ordered #8 if there are no co-manager only applicants.

A firm designated to be a co-manager that is unable to serve due to a Municipal Advisory or other conflict would be replaced by an alternative co-manager at the discretion of Finance Authority’s Chief Executive Officer.

A firm designated to be a senior underwriter that is unable to serve due to a Municipal Advisory or other conflict with an underlying borrower would exchange places with the next designated senior underwriter as necessary to maintain a fair distribution of senior underwriting positions based on the ordering of underwriters.

[Appendix A Follows on Next Page.]

**APPENDIX A
UNDERWRITER POOL - LETTER OF TRANSMITTAL FORM**

In acknowledgement of its intent to respond to this Request for Proposal the undersigned makes the following representations as required by the RFP.

OFFEROR: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

CONTACT: _____

PHONE NO.: (____) _____ FAX NO.: (____) _____

E-MAIL ADDRESS: _____

FEDERAL EMPLOYER ID#: _____

The aforementioned firm and its authorized representatives hereby confirm and acknowledge:

1. This Proposal is a firm and irrevocable offer for a period of 180 days from submission.
2. The Offeror is willing to perform all of the services as outlined in the RFP.
3. The Offeror is able to provide all of the services as outlined in the RFP beginning on _____
_____.
4. The Offeror accepts all terms and conditions as outlined in the RFP.
5. The following material is considered by the Offeror to be trade secret information:

6. The Offeror hereby acknowledges that the Finance Authority is subject to the Inspection of Public Records Act, (NMSA 1978 Ch. 14, Article 2) and the Offeror hereby indemnifies and agrees to hold the Finance Authority harmless for the release of any information, including information deemed confidential commercial information by the Offeror, if the Finance Authority reasonably believes the Finance Authority is permitted to release such information in accordance with law.
7. The undersigned is authorized to contractually bind the Offeror.

By submission of this cover letter, the Offeror hereby certifies that the above are true and correct statements.

Name: _____ Title: _____

Signature: _____