

MATERIAL EVENT NOTICE

Pursuant to SEC Rule 15c2-12

Related to

Arizona Department of Transportation

Highway Revenue Bonds and Subordinated Highway Revenue Bonds

Defeasance and Optional Redemption

This Material Event Notice is provided by the Arizona Department of Transportation ("ADOT"), pursuant to SEC Rule 15c2-12 of the Securities Exchange Act of 1934 (the "Rule") with respect to certain ADOT bonds identified on Exhibit I.

Pursuant to the Rule, notice is given to the EMMA system of the MSRB that the bonds identified on Exhibit I (the "Refunded Bonds") on November 29, 2011, have been defeased in advance of their stated maturity dates by the irrevocable deposit of funds and securities with Wells Fargo Bank, National Association, as Escrow Trustee, in an amount sufficient, together with investment income, to provide for the payment of principal of and interest on the Refunded Bonds as it becomes due until the redemption date listed on Exhibit I.

Payment of all the principal of and interest and premium, if any, on all the Refunded Bonds has been provided for in accordance with their governing documents, and, accordingly, none of the Refunded Bonds are considered to be outstanding within the meaning of their governing documents.

Notice is also given that on October 31, 2011, a Direction to Redeem was issued to the applicable paying agent to call portions of the Series 2001 Bonds on December 30, 2011 and a Direction to Redeem was issued to the applicable paying agent to call portions of the Series 2002 Bonds on December 14, 2011.

The date of this Notice is November 30, 2011.

EXHIBIT I

**Senior
Bonds:**

Dated Date	Bond Issue	Maturity (July 1)	CUSIP (040654)	Principal Amount Outstanding	Principal Amount Refunded	Redemption Date	Redemption Price
1/15/2001	Series 2001	2012	GQ2	\$9,400,000	\$9,400,000	12/30/2011	100.00%
		2013	GR0	9,890,000	9,890,000	12/30/2011	100.00%
1/15/2002	Series 2002	2012	HQ1	10,760,000	10,760,000	12/14/2011	100.00%
		2012	HN8	1,335,000	1,335,000	12/14/2011	100.00%
		2013	HR9	11,810,000	11,810,000	12/14/2011	100.00%
		2013	HP3	910,000	910,000	12/14/2011	100.00%
		2014	HS7	11,760,000	11,760,000	12/14/2011	100.00%
		2014	HT5	1,620,000	1,620,000	12/14/2011	100.00%
3/1/2002	Series 2002A	2013	JF3	8,000,000	8,000,000	7/1/2012	102.00%
		2014	JG1	8,420,000	8,420,000	7/1/2012	102.00%
		2015	JH9	8,860,000	8,860,000	7/1/2012	102.00%
		2016	JJ5	9,325,000	9,325,000	7/1/2012	102.00%
		2017	JK2	9,815,000	9,815,000	7/1/2012	102.00%
		2018	JL0	10,330,000	10,330,000	7/1/2012	102.00%
		2019	JM8	10,875,000	10,875,000	7/1/2012	102.00%
10/15/2002	Series 2002B	2013	JU0	10,745,000	10,745,000	7/1/2012	100.00%
		2014	JV8	11,310,000	11,310,000	7/1/2012	100.00%
		2015	JW6	11,905,000	11,905,000	7/1/2012	100.00%
		2016	JX4	12,530,000	12,530,000	7/1/2012	100.00%
		2017	JY2	13,190,000	13,190,000	7/1/2012	100.00%
		2018	JZ9	13,880,000	13,880,000	7/1/2012	100.00%
		2019	KA2	14,610,000	14,610,000	7/1/2012	100.00%
4/1/2003	Series 2003	2015	KQ7	9,415,000	9,415,000	7/1/2013	100.00%
		2016	KR5	9,885,000	9,885,000	7/1/2013	100.00%
		2017	KS3	10,380,000	10,380,000	7/1/2013	100.00%
		2018	KT1	10,900,000	10,900,000	7/1/2013	100.00%
		2019	KU8	11,440,000	11,440,000	7/1/2013	100.00%
		2020	KV6	12,015,000	12,015,000	7/1/2013	100.00%
		2021	KW4	12,615,000	12,615,000	7/1/2013	100.00%
		2022	LB9	2,225,000	2,225,000	7/1/2013	100.00%
		2022	KX2	11,020,000	11,020,000	7/1/2013	100.00%

**Subordinated
Bonds:**

Dated Date	Bond Issue	Maturity (July 1)	CUSIP (040654)	Principal Amount Outstanding	Principal Amount Refunded	Redemption Date	Redemption Price
10/1/2003	Series 2003A	2017	LL7	\$11,395,000	\$11,395,000	7/1/2014	100.00%
		2018	LM5	11,965,000	11,965,000	7/1/2014	100.00%
		2019	LN3	12,560,000	12,560,000	7/1/2014	100.00%
		2020	LP8	13,190,000	13,190,000	7/1/2014	100.00%
		2021	LQ6	11,825,000	11,825,000	7/1/2014	100.00%
		2022	LR4	14,530,000	14,530,000	7/1/2014	100.00%
8/15/2004	Series 2004B	2017	ML6	\$13,565,000	\$13,565,000	7/1/2014	100.00%
		2018	MM4	14,245,000	14,245,000	7/1/2014	100.00%
		2019	MN2	14,955,000	14,955,000	7/1/2014	100.00%
		2020	MP7	15,700,000	15,700,000	7/1/2014	100.00%
		2021	MQ5	16,490,000	16,490,000	7/1/2014	100.00%
		2022	MR3	17,310,000	17,310,000	7/1/2014	100.00%